

The week in London and New York

End of Account blues

ONLOOKER The market was suffering from the end of the account blues towards the latter part of the week and about two-thirds of the gain seen over the account was wiped out on Thursday and Friday. Profit taking and disappointment over the spiralling inflation trend in the Retail Price Index in the absence of any new time buying ahead of the next three-week account set equities back after reaching a four-year high on Wednesday. The gilt market received a shot in the arm late on Monday when it was announced that the Government was about to issue a £400m. tranche of a floating rate bond. The institutions took this as a sign that there would not be a conventional 'tap stock' issue in the near future and this left the market hungry for high coupon stocks. The scarcity of these forced demand into other long dated gilts and as with equities the F.T. Government Securities Index hit a four-year high on Wednesday.



75 per cent, its chances of success look depressingly high. The market had been hoping for an outright bid for the minority, in order to resolve the growing conflict of interest between Sir James Goldsmith's master company and its main U.K. interest. What it got was an agreed offer of 15p cash for half the outstanding equity, plus a

Premium market Following rumours that there might be some easing in the restraints on overseas investment, the dollar premium fell swiftly this week from its 1977 peak level of 120-123 per cent. to 111 per cent. (effectively 40 per cent.). For the past 6 weeks or so volume has been very low in the premium market, for interest has been concentrated on U.K. stocks rather than overseas. But speculation over the future of the premium was sufficient to bring out the sellers. This is not to say that there is much genuine hope that the strings on overseas investment will be loosened in the short-term. One factor militating against this is that no progress has been made towards liberalising direct investment within the EEC; end that has priority over portfolio investment in the timetable. But it does not stop investment managers wishing—perhaps for the abolition of the 25 per cent. surrender rule—and making representations to the Government.

Table with 4 columns: Price Ytd, Change on Week, 1977 High, 1977 Low. Lists various stocks like F.T. Ind. Ord. Index, Gold Mines Index, Treasury 15 1/2% 1996, Anglo-American Corp., Beaverbrook A, Beecham, Bournville, Brown (John), Cavenham, De Beers Defd., Debenhams, Heron Motor, Lyon & Lyon, Mothercare, R.H.M., Savoy Hotel A, Walker (C. & W.), Willows Francis.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM APRIL 21 % Change Office Equipment +23.2 Motors & Distributors +20.4 Machine & Other Tools +20.1 Property +18.2 Newspapers, Publishing +17.2 Shipping +17.9 All-Share Index +10.5 THE WORST PERFORMERS Oils -6.5 Contracting, Construction +5.9 Food Manufacturing +4.8 Discount Stores +2.0 Mining Finance -3.1

issues at the eleventh hour and raise more money than they could have originally hoped for. The other reason why companies are reluctant to lose their places is because the Government's 17 per cent. stake in BP is due to come on the market soon. Last Thursday the Chancellor confirmed the sale was going ahead and market sources are now suggesting that the Bank already has a date pencilled in around mid-June. The current value of the BP holding is worth nearly £825m. and although some may go overseas there will still be quite a lump for the City to digest in one go. Undoubtedly a lot of the institutions' liquidity will be absorbed, so it is not surprising that there is a rush by other companies to get in first.

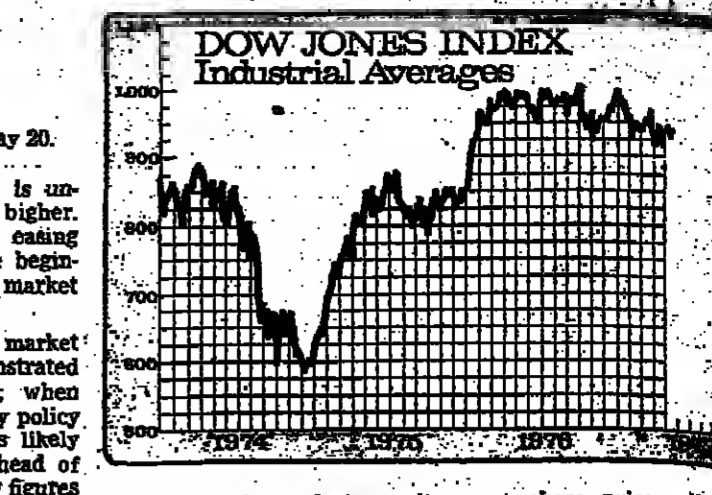
Retail volume The weakening retail trend in the U.K. was highlighted this week in official figures for April as well as results from four leading store groups. The value of retail sales in April was 13 per cent. higher than a year ago but this compares with a rise of 15 per cent. for 1976 as a whole. Although the volume of sales was slightly higher than in March it was lower than the other months this year. Since the pre-budget spree last November the index of retail volume has fallen by 6 per cent. and is at a five year low.

Orderly queue There has been a tremendous surge forward in the amount of new money raised by rights issues over the past week. Nearly £65m. of equity capital has come on offer from seven companies. Apart from one week in April when GKN raised £67m. in one swoop, this represents the highest weekly total of rights money since July 1976. And on top of that the market was also able to take a placing of 5m. shares in Motorola by the founder Mr. Zilkha, worth over £21m. The number of companies waiting at the Bank of England's queue to raise cash has certainly built up and there are no more vacancies before the end of July. More significantly the queue, which is normally fairly flexible, has become much firmer with very few companies dropping out and leaving little opportunity to step in at short notice. The strength of the equity market over the past few weeks is an obvious reason to press ahead with an issue now. Indeed some brokers are suggesting that companies have been able to heef up the terms of their

Inflation fears

BY STEWART FLEMING NEW YORK, May 20

AFTER showing signs of emerging from the recent slump early in the week share prices on Wall Street eased on Thursday and then ran into heavy selling pressure again to-day as another sharp increase in the consumer price index revived inflation fears. Investors attributed this whiff of enthusiasm partly to the market's positive reaction in the face of last Friday's round of commercial bank prime rate increases, and partly to bargain hunting among the glamour stocks which have been under such heavy selling pressure recently. The performance of the glamour stocks is becoming as much a barometer of market movements as the monetary policy of the Federal Reserve Board has been. Investors seem convinced that until the selling pressure on these issues dries up



the market as a whole is unlikely to move much higher. Signs of the pressure easing such as appeared at the beginning of the week helped market confidence overall. The fragility of these market upturns was well demonstrated on Thursday, however; when anxieties about monetary policy surfaced. Thursday was likely to be a nervous day ahead of the weekly money supply figures anyway, and share prices duly fell. But what really worried the stock market was the appearance of new shreds of evidence that the Federal Reserve Board might be tightening up on credit again. The key interest rate of Federal funds move out of what the market believed to be the Federal Reserve Board's target range without the authorities moving to pull it back and investors in both equity and bond markets

Table with 2 columns: Day, Close. Monday 932.50, Tuesday 926.48, Wednesday 941.91, Thursday 936.66, Friday 930.46.

Mining Still too cloudy

BY KENNETH MARSTON, MINING EDITOR

THERE is just too much uncertainty about the world at the moment for the liking of the mining share and metal markets. Consequently we have seen prices slide away this week in a general move which will probably throw up a few bargains in due course. Selection Trust, for example, look to be unduly depressed at their low for the year. Inevitably, the latest outburst of ill-feeling along the Zambian-Rhodesian border has reduced still further prices of shares of the South African gold producers with the result that the Gold Mines index has fallen to 106.3, its lowest since February 16. At that time gold was \$136 1/2 per ounce compared with the current \$147. Clearly, any lightning of the political clouds could produce a sharp recovery in share prices, but few investors are interested at the moment. In the meantime it is worth keeping an eye on the progress of individual companies, notably those with the younger gold and uranium mines. Well placed in this class is Randfontein with its new Cooke section and the still worthwhile original mine which started production back in 1899. This week the Randfontein chairman, Mr. Bernard Smith, has pointed out that the company is nearly over the hump of its high capital spending involved in the R150m. (£100m.) expansion programme which, incidentally, ranks as a tax offset. Capital expenditure this year will be around R98m. and will fall by about half next year, he said. Mining analysts have been intrigued by the way in which development results (from underground work) have consistently exceeded those obtained in the original drilling of the Cooke section. Mr. Smith explained that a gold-containing fine seam of carbon was eroded during the original drilling and it accounts for the better than expected values which have converted the new mine from a planned marginal producer to a planned one of the richest in South Africa. Base-metal prices on the London Metal Exchange have been looking rather sickly this week. Speculators have been cutting losses and the markets generally

TIN OUTPUTS COMPARED

Table with 4 columns: Apr. 1977, Mar. 1977, Total to date, Same period previous year. Lists tin outputs for various countries like Amal of Nigeria, Ansum, Avel of Nigeria, Berjuntal, Bisichi Jantar, Biscantaria, CRM Sri Lanka, Ex Lands Nigeria, Gaeoff, Gold and Base, Gopeng, Idria, Kaduna Syndicate, Kamunting, Kelantan, Kent (FMS), Kintang, Kinta, Kuala Lumpur, Lower Perak, Malayan, Pahang, Peninsular, Petaling, Rajahmundry, S.P. Piran-Far East, S.K. P. K.P., Southern Kinta, Southern Malayan, Sungai Besi, Tanggong, Tungkang Harbour, Uluoh, Uluoh, Uluoh, Uluoh.

have had little encouragement in the shape of consumer demand. The price of zinc quoted by the U.S. Assay giant has been lowered by 3 cents to 34 cents per lb and the European price has been lowered from \$795 to \$700 per tonne (or 31.7 cents per lb). On the LME the free market price has fallen from \$370 to \$338 per tonne. Tin has come back in London, but the Penang price which is the one that the Malaysian mines receive has held up at \$31,460 per picul; the all-time high of \$31,660 was reached in March this year. The mines are thus doing very well and this week Tengku Harbuz has boosted its intention for the year to June 30, to 12 1/2 per cent. on the SM1 shares, equivalent to 19.23 per cent. gross compared with the full total for 1975-76 of 18.92 per cent. It should be remembered,

however that the mine's production last year was hit by a three-month strike and totalled only 404 tonnes of tin concentrates; it amounts to 467 tonnes for the past 10 months of the current financial year. Uncertainty also prevails in Australia where the potential uranium producers still await the Fox Commission's second report. Due at any time now, it has been for the last few weeks the report is expected to recommend a qualified go-ahead for uranium mining. Uranium is still a buoyant market and likely to remain so for a long while yet. Queensland mines which own the rich Nabarua deposits thus reckon that it will be able to negotiate higher prices with its Japanese customers. The company is believed to have signed contracts on a price basis of \$6 per lb. some five years ago. Today's spot price, but not that for long-term

TV/Radio schedule listing programs like BBC 1, BBC 2, Granada, Southern, Yorkshire, and Radio 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12.

TV ratings, week ended May 15. Table with 3 columns: U.K. Top 20 home viewers, U.S. Top 10 (Nielsen ratings), and TV ratings. Lists shows like Coronation Street, The Muppet Show, The Saturday Night Takeaway, etc.

TV/Radio schedule listing programs like BBC 1, BBC 2, Granada, Southern, Yorkshire, and Radio 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12.

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the law Motoring

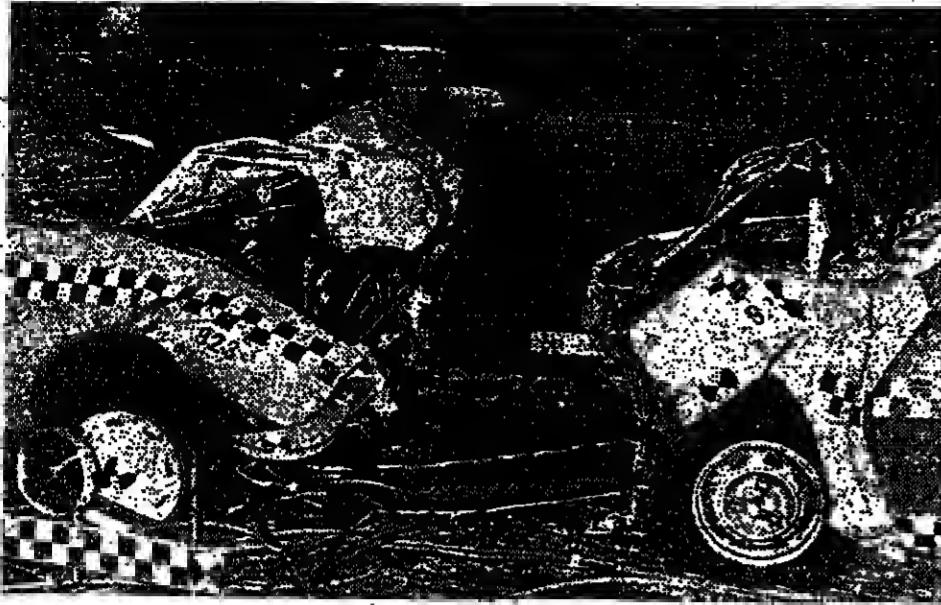
Golf

The greenmanship debate

50 yards and drop without penalty, almost in the fairway. What is, even more objectionable to the Venturi school, he was able to replace his badly damaged ball with a new one. Schroeder then hit a great pitch with his eight-iron 12 feet from the hole, and sent the putt for one of the strangest, and certainly the longest par-fours I have ever seen. The whole pantomime took no less than 26 minutes, so why, one might ask, was Schroeder not penalised for slow play?

I believe that the public will not come out to pay to watch professionals scoring badly, although that theory is contested by those who believe that hackers like nothing better than seeing bigly paid performers playing almost as badly as themselves. But I do believe that by making the game so easy for the professionals, golf tournaments are being harmed on the score of both integrity and entertainment. The elimination of the intriguing element of chance can only remove a lot of the charm from the game.

BEN WRIGHT



head-on crashes are fairly rare. The Renault 12 (left) has hit a Renault 14 at 31 mph. A belted driver would almost certainly have survived without serious injury.

Belting up means living

BY STUART MARSHALL

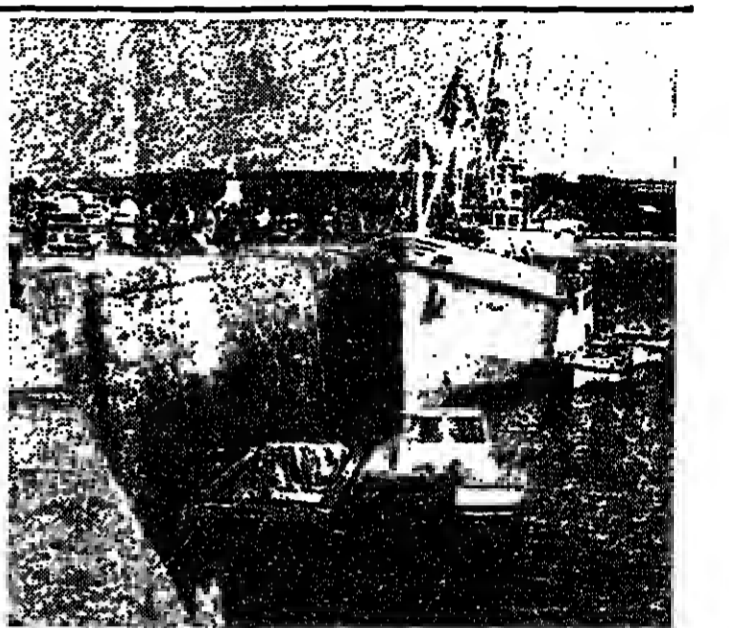
DING on whether one is in a position of overwork or underwork, the way out is to get a seat belt. It is a simple, cheap, and effective way of making sure that you are protected in the event of an accident. The three main arguments against compulsory seat belts are: first, they are an infringement of personal freedom; second, they are not effective in preventing injury; and third, they are uncomfortable. However, the benefits of wearing a seat belt far outweigh these disadvantages. In a crash, a seat belt can prevent you from being thrown out of the car, which is the most common cause of death in road accidents. It also reduces the risk of serious injury to the head, neck, and chest. In fact, wearing a seat belt can reduce the risk of death in a car crash by up to 50%.

But is this the best and most realistic way of evolving cars that will be safer under actual motoring conditions? Renault thinks not. It has established that in 68 per cent of all frontal impacts, one car runs into another. They collide with lorries in 17 per cent, but only 13 per cent are caused by the car hitting anything as unyielding as a 100 ton block of concrete. In all, 79 per cent of frontal contacts are also not head-on, but offset to a greater or lesser degree. So Renault prefers to smash cars into one another, or if a block has to be used, to hit it at an angle rather than directly head-on. Real life crashes are different from concrete block laboratory crashes because two cars that meet one another offside will slide sideways after impact. The car hitting the block does not. This sliding reduces the rate of deceleration suffered by the occupants, and reduction of deceleration is in essence what safety design is all about. It is why all cars have "crumple zones" in their bodies. Renault considers that head-on crashes into concrete blocks result in the kind of body deformation rarely met in practice. It does only a limited number of them. Most of the crashes that take place under the arc lights at Lardy are accidents that have been minutely observed and recorded by Renault researchers, in co-operation with the police and hospital authorities. All of which has made rather morbid reading. No doubt we will fall into line with the rest of Europe one day, and compel the wearing of seat belts. It is rather a paradox, really, that Britain was among the first to insist on seat belts being installed in new cars—and will be one of the last to take the obvious step to ensure that they are used.

AN EXTRAORDINARY par-four by John Schroeder last Saturday evening during the Colonial National invitation tournament at Fort Worth, Texas, has caused more controversy in the world of golf here than any incident in years. It brings into sharp focus the exploitation of the rules by modern professionals that is perfectly legal, but, in the opinion of many, against the spirit of the game. There are two widely differing points of view on the subject of obtaining relief from temporary obstructions such as grandstands, scoreboards, television towers, and the like. My good friend Ken Venturi, the 1964 U.S. Open champion, would like to see a rule decreed that the golf ball shall be touched by hand only when it is teed up and picked out of the hole. So, if a player hit his golf ball beneath or behind a grandstand, he would either have to play it or declare it unplayable and drop another under penalty. Venturi's rule would mean that old adage, "the rub of the green," prevailed. Officials who have the difficult task of supervising tournaments in which vast sums of money are at stake agree in principle, but maintain that it is just not feasible to play this way for many reasons, some of which are perfectly logical. If one player is stymied behind a bot-dog stand, for instance, why should he be punished if his partner who has hit the ball 20 yards wider from the tee, has a perfect view of the green? Venturi would argue that this is just the rub of the green. More importantly, the safety of spectators is at stake. There is little doubt that if lifting and cleaning of the golf ball on the putting green was discontinued play would be speeded dramatically. But the most significant time-saving would occur because players—whom Venturi thinks should know the rules better anyway—would not be forever requesting rulings in the hope of obtaining relief, often advancing spurious and laughable arguments.

Travel Fortunate islands

THE RAIN was teeming down as some thirty of us boarded the British Airways helicopter at Penzance but, after braving the downpour, we were assured that the sun was shining over those fortunate Isles of Scilly. The regular Penzance-St. Mary's helicopter service maintains a vital year-round link between the mainland and the islands. I had caught the overnight sleeper from Paddington and the train-helicopter timetable ensures a speedy transfer to St. Mary's where everything is on a diminutive but enchanting scale. Then a leisurely ride from the airport to the centre on bus 007! I had wondered if the islanders might resent the annual invasion of their privacy by visitors from not only the mainland but from Europe and the U.S. I could certainly find no trace of their attitude is welcoming, friendly and informative and it was pleasant to return to the traditional country practice of exchanging the time of day in the main street of the only semi-urban community, Hugh Town on St. Mary's. The town is built on the island's narrowest point so that there are views across to either Town-Beach or Portbeacca. However, you are looking for the accepted bright lights, the Scillies are not for you. If, on the other hand, you become an island addict—hotels and guesthouses alike welcome a very high percentage of visitors who return each year—you will easily slip into the pattern of daily life. St. Mary's is the obvious centre and each morning around 10 a.m. residents and visitors alike converge on the quay before taking to the boats en masse. If you share my pleasure in pottering about in small boats or enjoy walking along the cliff paths in a place where the word pollution is never heard and where the car is a rarity rather than a menace, then the Scillies are for you. I got my bearings on a quite hilarious coach tour. There are some 10 miles of road on St. Mary's but Vic, or one of his lieutenants, manages to spin this out to an hour-and-a-half. You will learn that the police force numbers only two, occasionally augmented, "when Sir Harold is here." You will also be regaled with tales of shipwrecks but manage to miss the view of one of the best sandy beaches because a local farmer has thoughtlessly blocked it with a new cowshed! The tempo of life is leisurely and, with the benign and balmy air weaving its spell, you quickly wind down and relax. The main preoccupation of those with whom I travelled over to the semi-tropical island of Treco nor was not with the day's weekend events—I was there the weekend of the Downing Street summit—but now to find their way from New Grimsby, where we landed, to the departure jetty at Carn Near. Whenever I land in an enchanting remote spot where the intrinsic pleasures are those of nature, I wish that my knowledge of horticulture and the simple yet infinitely satisfying activity of bird-watching matched the pleasure I find in exotic flowers and shrubs and the graceful flight of sea birds. Yet this in no way detracted from my enjoyment of sun-filled hours in the magical gardens of Treco nor in watching the bird life around the shore, of the different islands. There is accommodation for only some 2,000 visitors but, even in high summer, the islands seem to absorb those who come over for the day by helicopter or on the Scillonian from Penzance, with a new marque III coming into service this summer. The regulars all have their favourite islands, some uninhabited but with extensive beaches of fine white sand and served by the small boatilla operated by the local Boatmen's Association. Special interests are also catered for on trips to the outer islands with their shepherds, puffins and seals. Life has always centred around the sea. There is a fine collection of ships' figureheads in the Valhalla Museum on Treco nor and no subject lends itself to more elaboration than hurried treasure. In addition to the hotel bars, Hugh Town has two pubs and their names really come as no surprise. One is The Mermaid and The Bishop and Wolf takes its name from the two great lighthouses. While there is a wide range of accommodation on St. Mary's, you can also stay on the



The Scillonian docking at St. Mary's

other islands. Even so, as St. Mary's is very much the focal point I would suggest staying there on a first visit. I found Tregarten's Hotel, overlooking the harbour and Town Beach, a very comfortable base. In addition to the steamer and helicopter services from Penzance, Brymon Airways operate a Dart-Herald service from London (Heathrow) to Newquay with connecting flights to St. Mary's. The local Information Office charges 25p, including postage, for comprehensive background information and accommodation lists. It was my own first experience of the Scillies and I came back enchanted. The islands provide a true escape from the pressures of urban life and, while the visitor will always be made welcome, there are happily no plans for major tourist developments to disturb the peaceful way of life of the residents of these truly Fortunate Islands. ADDRESSES: British Airways Helicopters Ltd, Heliport, Penzance, Cornwall; British Rail (inquire locally); Brymon Airways, City Airport, Crownhill, Plymouth, Devon; Information Office, Town Hall, St. Mary's, Isles of Scilly; Isles of Scilly Steamship Co., Ltd., St. Mary's, Isles of Scilly; Tregarten's Hotel, St. Mary's, Isles of Scilly. PAUL MARTIN Your weekend: E. Austria 28.00, Belgium 12.50, France 2.50, Italy 1.45, Greece 6.00, Spain 12.75, Switzerland 4.20, U.S. 1.75. Source: Thomas Cook.

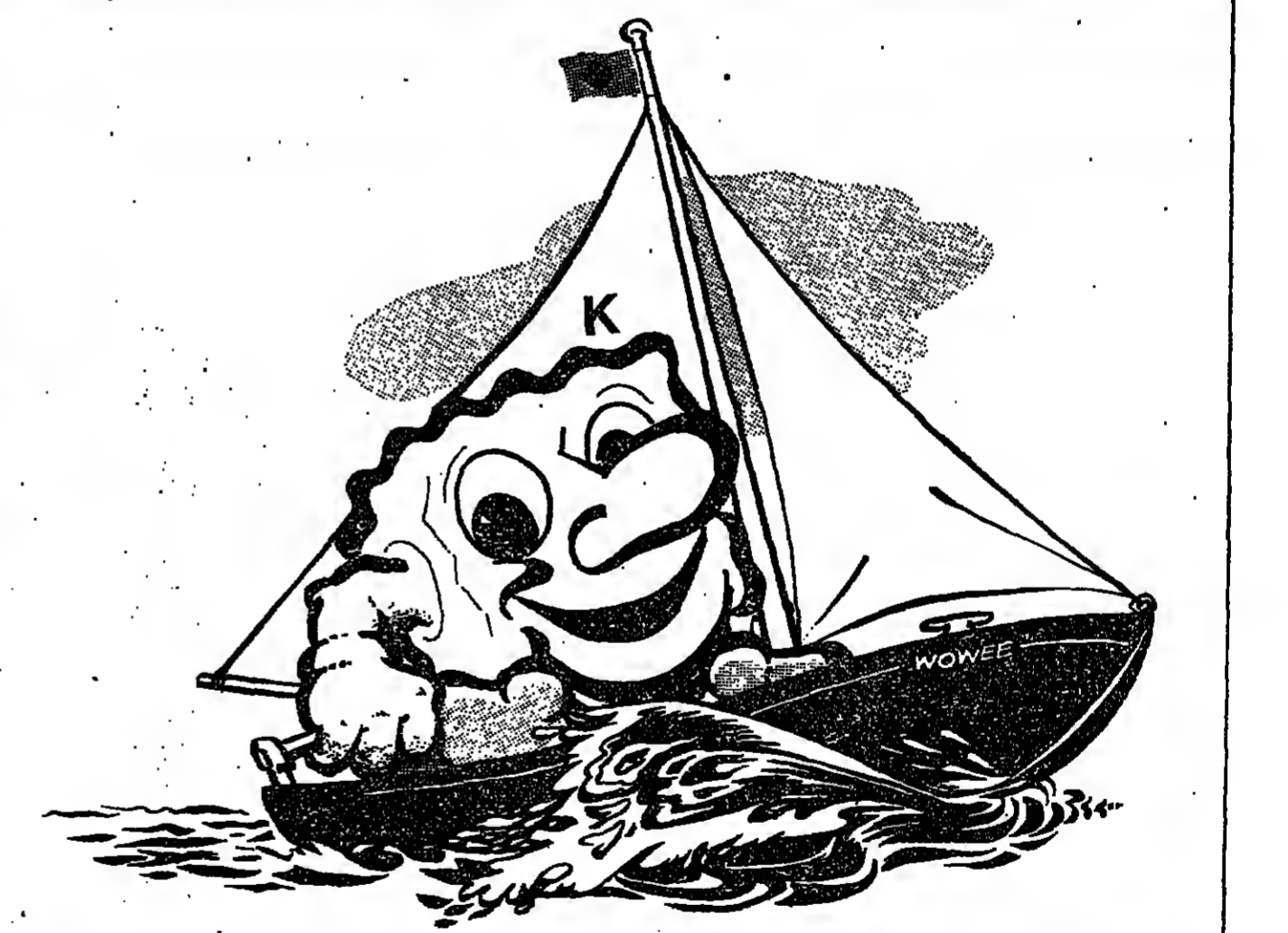
Immunity place be proud of

LEEDS CASTLE has been in a state of activity all week in preparation for the EEC Ministers arriving here later this week. It has been freed by many illustrious through its history, it has been used to hold a top meeting of international since the days of the first moves in rediscovering the castle's historic role made by Sir Harold. The magnificent of Rambouillet was in use last year when the held the presidency of C. The British Government owned no comparable and Sir Harold, as was still Prime Minister Leeds was the most place for informal ts. On being approached at which runs the estate to make the castle le. helicopters bringing the reign Ministers and Mr. nkins, the President of mission, to their week-country-house party are land on the golf course. men will cross the moat the which the late Lord described as the l in the whole world, beyond the lake is of of beautiful parkland. Castle has nothing to do with castles. It lies X miles south of Maid-Kent. Its name acknowledges the original builder, a Thane named Led, who strategic potential of rocky islands in a lake by the river Len. wooden fort was rebuilt by the Norman baron de Crevecoeur, but in times it was transformed fortified castle into a place. Leeds had been a residence of medieval queens for some 300 when it passed to Sir St. Leger after Henry path.



The dining room of Leeds Castle

In 1926 Lady Baillie bought the decaying palace, and achieved a thorough-going transformation before she died three years ago. Her will established the Leeds Castle Foundation with an endowment of about £2m. The castle was to be preserved as a centre of the arts and charitable work, in particular for medical research. This is the first year the castle estate is being fully used. It is opening to the public on Tuesdays, Wednesdays, Thursdays and Sundays and has a full programme of week-end seminars, mainly of a high-powered medical nature. The delay in opening was caused by the need to build a second entrance into the estate due to traffic problems. The trustees make no charge for the use of the castle as a medical seminar centre. This was the prime charitable purpose laid down in the will. The people taking part form a select international band from the top of the profession, and Leeds Castle provides a tranquil and private atmosphere which competes powerfully with the two other such centres in the world. A seminar was held in the castle earlier in the month and meetings have been fixed by the Royal College of Physicians and the Gulbenkian Foundation for later in the year. The formal discussions this afternoon and Sunday morning—which will centre on the enlargement of the EEC—will be held in the Conference Room. This is on the second floor of the Gloriette, built by Henry VIII. It contains one of the most important collections of French Impressionist paintings outside a public gallery. Surveying the deliberations cursorily will be a black Egyptian cat—a funerary mould from the fourth century BC. Pre-dinner drinks are likely to be sipped in Henry VIII's Banqueting Hall, and the ministers may be attracted to the large yet cosy Thorp Hall for their informal discussions after dinner. If the Maiden's Tower across the courtyard is used there will be enough two-bedroom suites for each minister and his well-stretched to cover the gap. The 10 men will eat together in the sunny main dining room in the new part of the castle completed in 1820. With them are likely to be one or two interpreters. Herr Hans-Dietrich Genscher, the German Foreign Minister, for instance, speaks only broken English. The castle's two cooks will be supplemented by staff from the Government's hospitality service, which will be providing the food and drink. The ministers' private secretaries, security men and other functionaries are likely to number about 30. They will dine in the smaller Heraldry Room, surrounded by shields of every owner of the castle. The Formal discussions this afternoon and Sunday morning—which will centre on the enlargement of the EEC—will be held in the Conference Room. This is on the second floor of the Gloriette, built by Henry VIII. It contains one of



Going for Gold with Mr Cube

Tate & Lyle is delighted to be sponsoring Weymouth Olympic Yachting Week for the first time this year. Britain already has an excellent Olympic sailing record and Tate & Lyle hopes that its support will not only maintain this standard but even improve on it at Tallinn, Russia, in 1980. Sailors need a lot of energy—and one of the cheapest ways of getting the energy you need is with Tate & Lyle's pure British refined sugar.



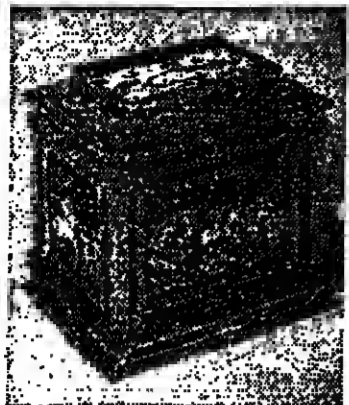
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EXPERIENCE AND EXPERTISE.302



Limoges gilt-metal casket, mid-16th century, by Jean Ponceau. 6 1/2 in. by 5 1/2 in. by 6 in. Sole, Tuesday, May 31, at 10.30 a.m.

The 2nd half of the 15th century saw a revival of the art of enamelling in Limoges, a craft traditional since the 12th century.

The Limoges enamellers found recognition for their craft at the court of Fontainebleau. This revival demonstrated the influence of Italian mannerism on the French Renaissance.

The casket illustrated bears five enamel plaques, decorated in the grisaille technique, depicting cavalry skirmishes. These plaques derive from engravings executed by the Italian Marco Dente or Agostino Veneziano representing the Triumph of Scipio and The Fruits of War.

The sale also includes a large number of fine Renaissance bronzes, terracottas and wood sculpture.

Glendinings

Specialists in the Sale by Auction of Coins and Medals
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Thursday, 26th May, at 1 p.m.

ENGLISH AND FOREIGN COINS in gold and silver including a further selection of coins from the Prestwich Hoard and a small selection of Historical medals (Catalogues — Price 40p)

Wednesday, 15th June, at 1 p.m.

A collection of choice GOLD COINS OF THE WORLD including the Netherlands and Low Countries, Spain and Spanish America, Portugal, Brazil etc. (Illustrated Catalogue — Price £2)

Thursday, 16th June, at 10 a.m.

ENGLISH AND FOREIGN COINS in gold and silver including the Collection formed by the late G. W. Bower of Bradford, Yorkshire; also a good series of Napoleonic and other European silver coins. (Illustrated Catalogue — Price £1.50)

Wednesday, 29th June, at 1 p.m.

ENGLISH AND FOREIGN COINS in gold and silver including Hiberno-Norse Pennies from Dunbody Hoard (Co. Wexford, 1831); the Pennies of Edward I from the Midridge Treasure Trove; also a good series of foreign silver coins. (Catalogues — Price 40p)

Wednesday, 6th July

A good Collection of NAVAL & MILITARY DECORATIONS AND MEDALS (Catalogues (now in course of preparation) — Price 40p)

Thursday, 14th July

ANCIENT, ENGLISH & FOREIGN COINS in gold, silver and copper including the Collection formed by the late Christopher Frothero, Esq. (Illustrated Catalogue now in course of preparation)

Catalogues for further Sales of Coins and Medals to be held in the Autumn Season are now in course of preparation.

Collectors desirous of selling should contact GLENDINING & CO. promptly. Commission to Vendors—10% No Premium charged to Buyers

The Arts

Queen of the frogs

BY RONALD CRICHTON

Rameau's *Platée* came at the end of the Dauphin's wedding festivities at Versailles in 1745. These had opened, as far as theatrical entertainments were concerned, with *La Princesse de Noorrr*, of which the musical part was recently given at the English Bach Festival. *Platée*, revived in Paris as the second new production of the partly re-opened Opera-Comique, is not a play with music but a full-length comic opera with ballet.

prolonged syllables. These are a more important feature of the score than the croaking frogs, donkey's hee-haw and twittering birds, cleverly though they are done. Much of the satirical detail escapes a non-specialist audience, but with so much life in the music this does not matter: nobody ever failed to enjoy *Platée*. *La Belle Hélène* solely through not knowing their Meyerbeer.

René Anphay as Clarine, the fountain-nymph, as June, Suzanne Sarroca, swept grandly about the stage, in appearance a match for Soyser's Jupiter. Otherwise the demanding vocal writing took its toll. The florid soprano solo for Folly was wretchedly sung. Chorus (placed in side-boxes, to the detriment of ensemble) and orchestra came from the Opéra; both were below form. Michel Plisson, a conductor, or trained on this page for his Ruslani and Offenbach, was clumsy in *Rameau*.

Dehany's opera, which Mr. Ronse mounted for the Belgian National Theatre, last summer had filled me with foreboding, but in *Platée* his touch was ingenious and imaginative. Mr. Montreuil's sets were in his familiar style—dimy, dingy, generally architectural prospects.

Theatres this week

NEW LONDON—Lionel Barrymore's *Imaginary View of Lionel Barrymore* in the East End, a production which has been running for a long time, is really staged up to revival.

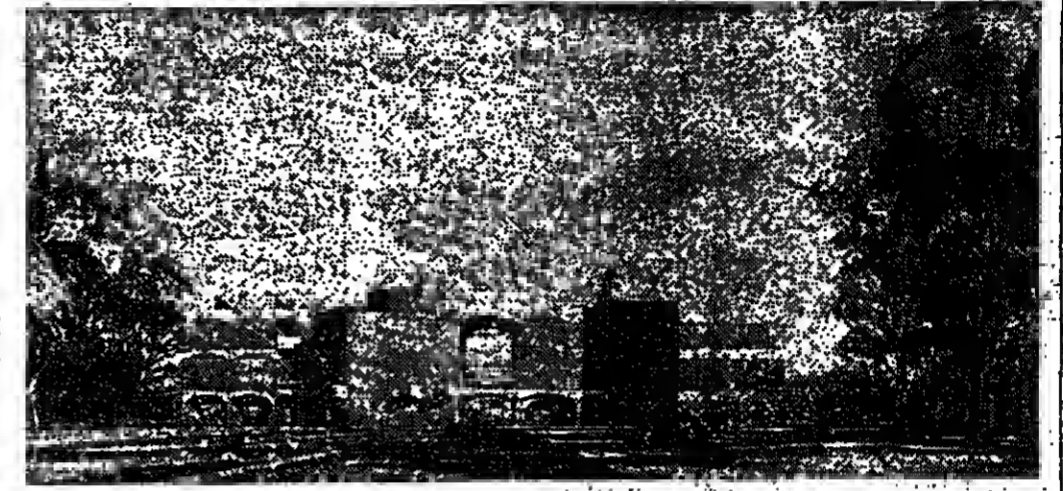
R A architects come down to earth

BY H. A. N. BROCKMAN

This year's architectural exhibits at the Royal Academy Summer Exhibition offer the most complete transformation of the character of present and proposed works that I have seen during the 17 years I have been reviewing the Architecture Room for this paper.

Of the rest there are no less than nine conversations or restorations of existing buildings. The rehabilitation of the Knights Hill area by the Shankland Co Partnership (1225.6) is one of the most successful.

What attracted Rameau was surely less the chance of making fun of a poor, vulgar, than of sending up contemporary French opera and ballet. This own included satirical, brilliantly sustained display of parody, caricaturing typical forms and effects, using quacking repeated notes, wide-skippping intervals, misaccentuated words, ungainly



A Sir Basil Spence drawing of College House, University of Sussex.

Godalming by Shepherd Epstein and Hunter (1258) represented by that fine perspective artist Gordon Cullen.

A large work is the new Chancery and associated housing for the British Embassy in Tokyo by Sir Philip Powell (RA elect), Moyz and Partners (1262), illustrated by a magnificent model.

most accomplished contribution ranged along a wide curve on the edge of this magnificent site is charmingly simple in its varied arrangement.

Dr. Feelgood

These are tense days for Feelgood. They were the rock revivalists, regretting the animal energy and direct address of the 1960s.

Sotheby's
Sales next week

MENTMORE

Monday 23rd May
at 11am Works of Art, Silver Part 4
at 3pm Works of Art Part 5

Tuesday 24th May
at 11am Vincennes and Sèvres Porcelain Part 1
at 3pm Pottery and Porcelain Part 2

Wednesday 25th May
at 11am Pictures, Paintings Part 1
at 3pm Pictures, Drawings and Watercolours Part 2

Thursday 26th May
at 11am General Contents, Furniture Part 3
at 3pm Pictures, Prints Part 3

Friday 27th May
at 11am General Contents, Works of Art Part 4
at 3pm General Contents, Silver Part 5

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Collecting Commemorative games

IT HAS BEEN ESTIMATED that some £12m. worth of commemorative wares in pottery and porcelain, glass, crystal and precious metals have been produced for the Queen's Silver Jubilee, and collectors have been snapping up the glittering prizes.

Commemorative games



Rare Goss Parian bust of William Gladstone, inscribed to Mrs. Gallimore, 27th December, 1882, probably modelled by William Gallimore as a limited production to commemorate Gladstone's 73rd birthday. At Christie's South Kensington sale on Monday, when it is expected to make £500-600.

The demand has been for the quality items, because not all the pieces produced would fit the National Anthem command: "Thy choicest gifts in store on her be pleased to pour."

Henry has it that the word jubilee is derived from a Hebrew word, *jubil*, a ram's horn, which was blown every 50th year in commemoration of the deliverance from Egypt.

because Prince Albert, the event is going unrecorded, the Zurich dealer Mannheimler for a South German walnut and oak armoire of around 1745; a 17th century French set of 17 Italian giltwood armchairs of 1750, with mid-18th century additions; £26,000 for an Augustan Augsburg altar clock mounted on a silver and gun metal and made in Antwerp; and £25,000 for an Antwerp marquetry table of about 1870.

Saleroom

The Mentmore sale really got into its stride yesterday with a world auction record for a clock of £70,000. It was paid by a London dealer R. A. Lee for an Augsburg altar clock mounted on a silver and gun metal and made in Antwerp; and £25,000 for an Antwerp marquetry table of about 1870.

ANTHONY THORNCROFT

ones," says Steven W. Jod the Society's secretary, "admitting that perhaps 'alleged' investment" pot for high-quality items has what blurred the true cost and purpose of a commemorative item.

ANTHONY THORNCROFT

Copy 101550

WORLD NEWS

Celtic Sea search for oil continues at cost of £10m.

BY DAFFER, ENERGY CORRESPONDENT

Oil operators are about a further £10m in their search for oil in the Celtic Sea...

Shawcross backs code on corrupt practices

By David Freud, Industrial Staff

COMPANIES SHOULD reject the conduct of business through bribery even if it involves losing profitable commercial opportunities...

Conservative bullseye pleases the travelling showmen

TRAVELLING showmen are smiling. The higher excise duty imposed on their trailers in the Budget was slashed by a Conservative amendment...

Meanwhile travelling showmen taking out new licences will still have to pay the higher rate announced in the Budget...

When the Finance Bill becomes law, and the reduced rate of duty resulting from the Government defeat can be brought into effect, they will be entitled to refunds.

But it is a mere bagatelle, only about 800 travelling showmen will be able to claim. The revenue loss involved in the cancellation of the higher rate of duty—the biggest increase in monetary terms was £59—is estimated at £16,000 a year.

But anyone who has been on the big dipper can tell them—there are lots of ups and downs to come.

Tory energy expert concerned about nuclear commitment

FINANCIAL TIMES REPORTER

DEEP CONCERN about making vast commitments to nuclear energy was expressed yesterday by Mr. John Biffen, former Tory energy spokesman...

£47m. Massey plant for Pakistan

BY OUR INDUSTRIAL STAFF

THE PAKISTAN Government said yesterday it has reached agreement with the Massey-Ferguson group to set up a joint £47m. tractor factory in Pakistan.



The Queen received a warm welcome from young admirers in Aberdeen yesterday on the third day of her Scottish Jubilee tour.

Oxford Street aims for £200m. target

BY JAMES McDONALD

London's Oxford Street Association of traders—department stores, chain stores, boutiques, restaurants and cinemas, together with banks—expect to earn £200m. during the Queen's Silver Jubilee year from the 14th...

Courtaulds mill to stay shut

FINANCIAL TIMES REPORTER

HOPES of re-opening Courtaulds of plant weaving mill at Skelmersdale, Lancashire, as a textile co-operative were shattered yesterday.

Concorde's good load factor

By Michael Donne, Aerospace Correspondent

THE CONCORDE has carried more than 20,000 passengers in its first year of service on the transatlantic route between London and Washington, and achieved load factors of up to 92 per cent.

City seeks advice on development

BY JAMES McDONALD

THE CITY OF London Corporation is seeking the advice and views of people living and working in the area before preparing policies for a development plan.

Shipbuilders have aid to pick HQ town

By Our South-Shields Correspondent

BRITISH SHIPBUILDERS' has called in PA Management Consultants to help it choose its headquarters location in the north-east.

Goodison predicts aid to controls

MARGARET REID

IT is predicted that the Government will be forced to take action to control the oil industry...

Government offers cash for tourism

BY JAMES McDONALD

THE GOVERNMENT is offering £5 million in a plan to boost tourism in "fragile" areas of England.

Farmers seek 'fair' tax

Financial Times Reporter

FARMERS yesterday received a second piece of good news within two days.

Job creation 'could hit building apprentices'

BY JAMES McDONALD

THE GOVERNMENT'S "job creation programme" to help school leavers could become a "job destruction" for many building industry apprentices.

Home companies' share of colour TV sales falls

MAX WILKINSON

ISH manufacturers' share of domestic colour television market dropped in the three months of the year...

Skyline protection sought

BY JAMES McDONALD

THE GOVERNMENT yesterday approved in principle a Private Members' Bill to protect skylines of natural beauty or historic significance.

Pension bonds earn 10% in two years

ERIC SHORT

SHORT who took out the linked National Savings when they were launched in 1975, will have earned 40 per cent on their investment...

Jet seized at Heathrow will be auctioned

BY JAMES McDONALD

THE British Airports Authority and Civil Aviation Authority are to auction a Boeing 707 freighter jet seized from the defunct East African Airways...

Threat to growth of automation industry

FINANCIAL TIMES REPORTER

THE GOVERNMENT was warned yesterday that its fiscal policy and the trend away from technological education would hold up the expansion of Britain's control and automation industry.

Government fails to carry Housing resolution

BY IVOR OWEN, PARLIAMENTARY STAFF

THE GOVERNMENT suffered a procedural reverse in the Commons yesterday when it failed to carry the money resolution authorising expenditure under the Housing (Homeless Persons) Bill.

Refrigerator sales rising

BY JAMES McDONALD

Sales of refrigerators in the U.K. are still rising. Deliveries of domestic models, both British and imported, amounted to 87,292 in February...

Jensen creditors unlikely to be paid

BY JAMES McDONALD

CREDITORS OWED nearly £3m. by the Jensen Motor Company, which was wound up earlier this year, are not likely to be paid the money due to them...

K. a depressed area—Powell

BY JAMES McDONALD

It is to Europe what the Celtic Sea is to the Atlantic and Ulster are to the Channel, Powell said last week.

Hauliers 'treated with contempt'

BY IAN HARGREAVES, TRANSPORT CORRESPONDENT

THE GOVERNMENT had treated road hauliers with casual contempt and increased taxation on their vehicles beyond the point of fairness, Mr. Norman Fowler, Opposition spokesman on transport, said last night.

Government fails to carry Housing resolution

BY IVOR OWEN, PARLIAMENTARY STAFF

THE GOVERNMENT suffered a procedural reverse in the Commons yesterday when it failed to carry the money resolution authorising expenditure under the Housing (Homeless Persons) Bill.

OVERSEAS NEWS

Prominent Basque industrialist is kidnapped in Bilbao

BY ROGER MATTHEWS

MADRID, May 20.

ONE OF the most prominent industrialists in the Basque region of northern Spain, Sr. Javier Ybarra, was kidnapped from his home in Bilbao by armed men early this morning.

Peres briefs Begin on security, foreign policy

BY TOM ACKERMANN

TEL AVIV, May 20.

THE TRANSITION to a right-wing Government effectively got underway here today as the prospective Prime Minister, Mr. Menahem Begin, met with defeated Labour Party leader Mr. Shimon Peres for a confidential briefing on sensitive security and foreign policy matters.

Foreign Ministers for an autumn reconvening of the Geneva Peace Conference. If it got under way, he was ready to attend personally, as head of the delegation representing Israel, Zionism, and the liberation movements of the Jewish people.

U.S. consumer prices rise 0.8% in April

Consumer Prices in the U.S. rose 0.8 per cent, seasonally adjusted, last month, once again because of higher food and fuel costs, Jurek Martin reports from Washington.

Crucial talks on Lonrho project

By Alan Darby

KHARTOUM, May 20.

THE SHAREHOLDERS of the Lonrho-managed Kenana sugar project in Sudan met here today in an effort to resolve financing problems caused by the doubling of the cost of the scheme to nearly \$800m.

EEC Foreign Ministers meet

Foreign Ministers of the nine EEC countries gathered at Leeds Castle, near Maidstone, today for two days of private talks aimed at laying the groundwork for a common approach to the problems posed by the prospective entry into the EEC of Greece, Portugal, and Spain.

Soviet fish zone

The Soviet Union announced yesterday that it will begin enforcing its 200-mile zone in the Barents Sea where there is an unsettled boundary dispute with Norway.

Indonesia oil move

Indonesia yesterday announced it is freezing its oil prices until the end of the year in a move to end the two-tier price system enforced on May 23 in areas of the Barents Sea along the Soviet coast, including water around islands.

Czechs free writer

Mr. Václav Havel, a leading Czech playwright and a principal spokesman for the Charter 77 human rights movement, has been released by the Czech authorities.

U.K. pig subsidy

The EEC Commission's request for an interim injunction against the current 50p a score (£80) subsidy to U.K. pig farmers was rejected by the Advocate-General in Luxembourg yesterday.

Young cautious over Southern Africa plan

BY QUENTIN PEEL

MARUFO, May 20.

WESTERN approval seemed doubtful today for a programme of action in support of the commonwealth movements in Rhodesia and Namibia (South West Africa), including a mandatory arms embargo on South Africa, and a ban on post and telephone communications with Rhodesia.

Fahd for Washington talks

BY ROD NEWMAN

JEDDAH, May 20.

THE HEADS of state of Saudi Arabia, Syria and Egypt have ended a two-hour tripartite summit in Riyadh, the Saudi capital, to compare notes on recent meetings between Arab leaders and U.S. President Jimmy Carter, on the eve of Saudi Crown Prince Fahd's visit to Washington.

Prince Fahd, who described the Riyadh summit as "constructive and beneficial, especially at this stage which the Arab people are passing through," is taking a high-powered team with him to Washington, including the Oil Minister, Sheikh Ahmed Zaki Yamani, and the Industrial Minister, Dr. Ghazi al-Gosabi.

Progress on Lebanon-PLO agreement

BY IHSAN HIJAZI

BEIRUT, May 20.

PROGRESS has been reported in efforts to enforce the "Cairo Agreement" between Lebanon and Palestinian guerrillas, a key element in restoring the country to normalcy.

Under the reported compromise, extra PLO weapons would be kept in the camps under joint Palestinian-Lebanese supervision.

Swiss bank regulations

BY JOHN WICKS

MONTREUX, May 20.

A PROPOSED agreement between the Swiss National Bank and the Swiss Bankers' Association might be realised very soon.

INTERNATIONAL COMPANY NEWS

ANIC against any chemical cartel

BY PAUL BETTS

ROME, May 20.

SIG. ITALO RAGNI, chairman of the State-controlled ANIC chemical concern, cautiously welcomed today the projected agreement between two other Italian chemical giants—Montedison and SIR—to coordinate their respective future investment programmes. He warned, however, that ANIC could be adverse to any form of "cartel agreement" between Italian chemical groups.

Japanese industrial production increases by 2.5% in month

BY CHARLES SMITH

TOKYO, May 20.

INDUSTRIAL production in Japan's quarter-to-quarter growth during the first quarter of 1977 is now believed to have been around 1.5 per cent, while the second quarter may yield as much as 1.9 per cent.

COMPAGNIE BANCAIRE Societe Anonyme. Notice to Shareholders. Following a Resolution passed at the Ordinary General Meeting held on 4th May, 1977, a dividend of Frs. 8.00 per share of Frs. 100.00 nominal for the year ended 31st December, 1976 is now payable as follows:

Bruxelles Lambert

By David Buchan

BRUSSELS, May 20.

THE SECOND biggest Belgian bank, Banque Bruxelles Lambert, has raised its dividend for 1976-77 to B.Fr.60 net (140), and announced higher profits. Gross profits for the past financial year rose to B.Fr.1,990bn. (£32m.) from B.Fr.1,885bn. the year before, and after tax and depreciation net profits were up to B.Fr.854m. (B.Fr.265m.).

Brown Boveri

By John Wicks

ZURICH, May 20.

BROWN BOVERI expects an improvement in orders this year. This was stated at a Zurich Press conference by Franz Luterbacher, its chairman. In 1976, group orders received fell worldwide by some 22 per cent to Sw.Frs.8,550m.—a decline equal to one of 17.1 per cent bad exchange rates remained at 1975 levels.

Art 877 Basel 16 - 21.6.1977 THE INTERNATIONAL ART FAIR. Swiss Industries Fair Basel, from 10 a.m. to 8 p.m., admission SFr. 7.-, after 5 p.m. SFr. 5.-

Giscard's party changes its name

By David Curry

PARIS, May 20.

TAKING A leaf out of the G list's book, President Giscard's Independent Republican Party has changed its name to the Republican Party.

OFFERS CLOSING 31st MAY 1977. GUARANTEED INCOME BONDS. 8 1/2% = 13.07% Gross, 9% = 13.84% Gross, 9% = 13.84% Gross, 9.1% = 14% Gross. 1 YEAR, 3 YEARS, 4 YEARS, 6 YEARS. *Net of Tax for standard rate payers and your Capital returned in full.

Building Societies

For a movement considered very much central to the nation's social machinery, the building societies are under increasing public criticism. They counter by pointing to the problems of to-day's erratic economic climate. But in the long run their role may need re-examination.

Wind of social change

Michael Cassell

Little over twelve months, building society interest rates have been reduced, then pushed back to record levels and again reduced. Within the next weeks, another interest rate cut is due and further cuts—up or down—could be ruled out before the end of the year.

Short, the movement has experienced a more turbulent period in its long and varied history—the only possible precedent being 1975—and the era in which it has coped with an ever-changing situation ever come under closer or more critical scrutiny.

Their efforts, they say, to hang on to the coat-tails of the economy were in the event rather successful.

Between May and October last year Minimum Lending Rate rose by no less than six points while the mortgage rate increased by only 1 1/2 per cent to a figure still 2 1/2 per cent below MLR. During the year over £6bn went into the housing market and 715,000 people took up new mortgages through building societies, nearly half of them buying for the first time and 40 per cent of them with less than average incomes.

Despite the very wide fluctuations in the volume of savings the societies managed to attract—from nearly £400m in one month to just over £200m in another—the level of mortgage advances remained high and fairly steady. In addition, house prices rose, only modestly, proving that a wealth of building society funds cannot stifle the type of price spiral experienced four years ago and blamed on the societies.

Outlook

This year, despite all the gloomy forecasts being made around the end of 1976, when the societies seemed to be heading for a repeat of the early days of 1974—more money going out than coming in—the outlook now looks bright. Last year's lending figure could conceivably be repeated or even passed and the cost of a home loan could be back down to the levels of early 1976. Some executives privately believe that the mortgage rate could be as low as 10 per cent, or even 9 1/2 per cent, by the end of the year.

is required. Criticism that they have to be ready to respond, adapt and change to suit the prevailing economic winds. For some, the process has been easily accepted; for others it has not.

Even when a decision to reduce rates was taken, the compromise solution which has come to be expected from the side of caution? Their argument is that they must consistently bear in mind the interests of both borrowers and investors and that to maintain the balance is an essential but not always easy task.

Now, with the societies' interest rate differentials over other competing institutions remaining very high, and funds flowing in at record levels, the second part of a move which a month ago some people wanted to take in one step will now have to be considered. Even so, there are still some executives who feel that a June decision is too early and that they should wait to ensure that the present healthy trend in receipts is set to continue for at least the next few months. Embarrassingly high operating margins should, however, overcome the reluctance shown in some quarters.

In any case, the societies ask, how much criticism should they reasonably expect to face because they are always on the side of caution? Their argument is that they must consistently bear in mind the interests of both borrowers and investors and that to maintain the balance is an essential but not always easy task. When other considerations, such as the well-being of house builders and the rate of house price increases are thrown in, the task becomes even more delicate.

Together

Criticism has not, however, been confined to the movement's conservative characteristics. Most of the areas to come under scrutiny are the same as in the past, but there is no doubt that over the past few months they have been brought together to form a more comprehensive argument on behalf of those people—politicians, members of the public and of the Press—who believe the societies could do with a dig in the ribs.

The societies admit that the programme aimed at replacing the cut-back in local authority lending was slow off the mark but claim it is now working well. By the end of 1976 over

£153m had been allocated for mortgage applicants nominated by local authorities. Their role in this field is now set to expand further and under the recently arranged combined lending scheme—which involves a mix of public and building society funds—the English authorities will receive mortgage allocations in 1977-78 totalling £273m, of which £157m will come from the societies. This will maintain lending at about the same level as in the current year, although the public sector contribution will be roughly halved.

The movement's efforts, however, have made little impression on the critics who complain that most building societies are extremely reluctant to lend money to people and on properties which the local authorities were prepared to consider when they had the money. In reply, the societies point out that 44 per cent of their borrowers earn less than £4,000 a year, over half of first-time buyers were able to buy a home costing less than £10,000 and a record 23 per cent of loans was in respect of pre-1919 properties.

At the same time, however, they emphasise that they have not been lending on slums or property which it would not be in the interests of anybody to buy. There are properties, the societies say, which no responsible lending institution should encourage people to purchase and they would not be helping to solve any housing problems by doing so.

Lending policies apart, the societies have also been taken to task over the cost of running

their businesses, again an old criticism but a bolder one. Tales of lavish staff parties and yet more oak-panelled offices being opened in the High Street have helped to create an impression that the building societies behave irresponsibly in view of the vast volumes of finance in their safe-keeping.

Repeat

The societies are used to the accusations and simply repeat the figures on management expenses. In 1976 they represented less than 1 per cent of societies' assets, a slight increase on the previous year's figure but still lower than any of those of their competitors, such as the trustee savings banks. As for actual branches, the societies have less than two and a half times the number of outlets as the TSB although they handle five times the amount of savings, while the four major clearing banks have three times as many branch offices as all the building societies put together.

There have been other complaints as well, although the societies are daily becoming more resilient. The recent rough ride prompted Mr. Raymond Potter, retiring chairman of the Building Societies Association, to urge this week's annual meeting of the BSA to get on with the job regardless. "It is very difficult to be 100 per cent successful and if you are then you are the object of envy. If, however, you are only 90 per cent successful, opinion appears to focus on the 10 per cent failure rather than the overwhelming proportion of success."

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Weighing up the choice of mortgage

IT IS NOW almost a cliché that buying a house is one of life's most important choices and that the would-be chaser should take it very seriously indeed. Of course the chaser usually does take it seriously, but he comes up against conflicting advice and areas where he finds it difficult to tell what is possible and what is not. For example, the building society smile and endowment mortgage or should he have an endowment mortgage in preference to a right repayment scheme? The rational answer to queries like these is that the attitudes of building societies vary and what might be one man's circumstances may be wrong for another's.

Happy

Among the building societies' general secretary, Mr. Norman Griggs, Secretary-General of the Building Societies Association, is that the general rule of thumb is that building societies lend up to 2 1/2 times the borrower's gross annual income that most building societies just as happy with endowment business as with repayment business. At one time was not so, for under an endowment scheme the building society had to wait until the end of the term to get its capital

repayment. The first is the one that most people think of initially, since it is the most simple. The borrower makes level monthly payments to the building society made up partly of interest on the loan and partly of loan repayment. In the early years most of the payment will be loan interest, but this situation is gradually reversed over the duration. Life assurance protection is not included in this type of mortgage.

The most obvious alternative is the endowment scheme which these days usually means a with-profit endowment. This is where the borrower takes out an endowment assurance for the same amount and term of the loan. Bonuses are added each year to the value of the policy so the chances are that the borrower will emerge at the end of the term with his house paid for and a handsome tax-free sum besides.

But within that general context Mr. Griggs says that there has been a trend to lending more "down market" both in respect of properties and borrowers. For example, societies are getting more willing to lend on converted properties whereas once "purpose built" was the magic phrase to unlock the coffers.

As for the type of mortgage the borrower should have, it is worth remembering that the building society itself is willing to discuss this with a potential borrower and give him advice linked to his individual circumstances. So it is worth asking for the benefit of their experience.

But in the end the usual choice is between a repayment mortgage, an endowment mortgage, or a low-cost endowment mortgage plan. The first is the one that most people think of initially, since it is the most simple. The borrower makes level monthly payments to the building society made up partly of interest on the loan and partly of loan repayment. In the early years most of the payment will be loan interest, but this situation is gradually reversed over the duration. Life assurance protection is not included in this type of mortgage.

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But within that general context Mr. Griggs says that there has been a trend to lending more "down market" both in respect of properties and borrowers. For example, societies are getting more willing to lend on converted properties whereas once "purpose built" was the magic phrase to unlock the coffers.

He will also not have had to worry about life assurance protection and will get tax relief on the whole amount of the loan over the full term. Balancing these advantages, the monthly payments are higher than those of a building society repayment scheme, which is why low-cost endowment plans are becoming popular. These allow the borrower to take out a policy for a smaller sum assured than the full amount of the loan, on the conservative assumption that the bonuses added will bring the policy proceeds at maturity to a figure sufficient to repay the full loan.

What does this mean in overall terms to a basic rate 35-year-old borrower with a £10,000 loan repayable over 25 years, assuming current levels of interest payable (11 1/2 per cent, or a repayment loan and 11 1/2 per cent, on either of the endowments)? The net monthly cost for the repayment scheme would be £79.42 including the costs of a mortgage protection policy, and at the end of the term the borrower would be left with the house and nothing more. On a with-profit endowment scheme his net monthly cost would be £93.47 and estimated surplus bonuses at the end of the policy amount to £18,310. As for the low-cost plan, the net monthly cost is £76.89 and there might be £2,285 of surplus bonuses at the end of the period.

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Era of volatile money rates

THE BUILDING SOCIETIES have had to come to terms during the past couple of years with a financial environment in which interest rates fluctuate much more sharply than in the past. And this period is certainly not over yet.

The explanation for the consequent sharp fluctuations in the net inflows to the societies can be seen both in the relative trend of interest rates and in the general savings and economic background. The starting point here is the behaviour of the savings rate, which is defined as the proportion of personal disposable income (after taxes and Government benefits) which is saved. This ratio has until recently been running at a much higher level than at any time during the post-war period up to this decade. It rose sharply between the beginning of 1972 and end 1974/early 1975—up from about 8 or 9 per cent. to a peak of 16 per cent.

Reasons

There are several reasons for the rise. One popular theory is that consumers only adjust to changes in income which they believe will be permanent. Consequently, when post-tax incomes are rising sharply, as occurred between 1972 and 1975, consumer spending does not increase by a proportionate amount, and the savings rate increases as a percentage of disposable income. This was reflected in this period in a sharp rise in voluntary savings such as bank deposits, holdings of Government stocks, and company securities as well as in building society investments.

In contrast, when incomes are squeezed by the impact of a high rate of price inflation at a time of wage restraint, consumers hold up the level of their consumer spending for some time—in the hope that the squeeze will be only temporary. The result is that the savings ratio falls.

Delays between changes in the rate of increase in income and in the savings ratio appear to have become longer than previously because of apprehension about rising prices and higher unemployment. This has led to more precautionary savings, reflecting a possible desire to have a minimum level of readily realisable savings.

The evidence of the last few years does not provide conclu-

sive evidence either way, though it is clear the steady increase in contractual savings—via contributions to life assurance policies and pension funds—has been less important than changes in the pattern of personal sector bank and hire purchase borrowing.

The high savings ratio in 1974-75 was largely the result of a reduction in personal borrowing, since voluntary saving actually declined. In contrast, the decline in the savings ratio since the beginning of 1975 can be explained to some extent by a higher level of personal borrowing, though building society savings have also fallen.

There is not, however, an exact relationship between the savings ratio and the level of building society receipts. Indeed the net inflow to the societies declined in both 1972 and 1974 in spite of a rise in the savings ratio in both years.

This does not mean that the societies' fortunes are solely affected by competition from other forms of investment. Indeed during the last year it is clear the sharp decline in the savings ratio has, at the least, exacerbated some of the problems caused by changes in relative interest rates.

For example, the savings ratio fell from 15.5 to 11.6 per cent. between the third and fourth quarters of last year. This is a very large movement for such a ratio; while it may exaggerate the underlying trend because of the payment of tax rebates in the summer, the result was that in cash terms personal savings fell from £2.4bn. to £2.55bn. This was reflected in a cut in voluntary / discretionary savings, notably building society depo-

sits. The net inflow to societies was only £182m. in the last quarter of 1976 compared with £527m. in the previous three months.

The recovery in the net inflow was relatively slow during the first couple of months of this year in view of the interest rate background. This probably reflected a savings ratio which was still well below the average for last year, even if possibly fractionally higher than in the fourth quarter. This is because consumers have now clearly adjusted their spending patterns, down to almost the lowest level for more than four years. The official expectation is that the ratio should stabilise from now onwards along with real personal disposable incomes.

Check

But the decline in the ratio from the higher level of recent years certainly applies a cautionary check to the societies in their interest rate policies even if it is not the predominant influence. The key factor is of course the general level and distribution of interest rates, and the societies' problems have been aggravated by their general inflexibility in making quick changes in a rapidly changing situation.

The cumbersome process of changing mortgage rates—requiring long notice under many mortgage deeds—coupled with political and other pressures against large increases has meant that the societies' inflow has tended to suffer when interest rates generally are rising. Conversely, the societies' caution, both in the timing and in the extent of their cuts in

rates when general interest rates are declining has boosted their inflows.

As Mr Raymond Potter said in his chairman's address to the annual meeting of the Building Societies' Association last Wednesday: "Over a period during which general rates are subject to substantial fluctuations and demand for home-ownership remains insatiable, it is not easy at all times to fulfil this object."

The societies both suffered and benefited when they remained firm with a mortgage rate of 11 per cent. between autumn 1973 and April 1976 despite 28 changes in Minimum Lending Rate between the range of 9 and 11 per cent. (The investment rate was cut once in summer 1975 to reflect a change in the tax position.) This resulted in sharp changes in the interest rate differential with alternative types of savings, notably seven day deposits with clearing banks and three-month deposits with local authorities.

Changes in this differential were reflected—after certain time lags and after taking into account changes in the overall pool of savings—in the inflow to the societies. The fluctuations in the net inflow may also reflect an increasing sophistication on the part of investors. There are now more of the bigger class of depositor with societies, and these are highly sensitive to relative interest rates.

The speed with which the societies could become uncompetitive was shown clearly last year. In January 1976 the societies were offering a grossed-up return to the standard rate taxpayer of 10.77 per

cent compared with a rate of about 10 per cent for three-month deposits with local authorities. This margin steadily improved and in the spring the societies cut their rates so that their grossed-up return was down to 10 per cent.

Their timing could not have been more unfortunate since just as the decision was made the relentless climb upwards of general interest rates began in response to last year's recurrent sterling crisis. The jump in MLR from 9 to 15 per cent. between April and early October was matched by a rise in clearing bank seven-day deposit rates from 5½ to 11 per cent. and by an increase in local authority three-month deposit rates from 8½ to 15½ per cent. This of course left the societies stranded, which was reflected in a sharp fall in their net receipts from a peak of £376m. in March last year—as a result of their delay in cutting rates to follow down other interest rates—to a low of £23m. in November.

Reluctance

The rise in the societies' rates in November—and for a grossed-up investment return of 12 per cent—was not nearly as large as the increase in other interest rates. Indeed, the possibility of a further rise in rates did not finally disappear until the New Year. The November increase certainly took some time to take effect, partly because of the sharp fall in the general level of savings but also, apparently, because of the impact of the 16th issue of the National Savings Certificate which offered 13.5 per cent.

gross to the standard rate taxpayer. This issue clearly attracted away money until the end of March, when it was withdrawn, as planned. This may partly explain the societies' reluctance to bring down rates quickly following the rapid fall in general interest rates from early January onwards.

But even when a cut in rates was announced in April, it was fairly modest—a point fall in the mortgage rate to 11½ per cent. and a reduction in the grossed-up return from 12 to 10.77 per cent. This immediately appeared rather too cautious a move as evidence came in of a dramatic improvement in the societies net inflow—in the event up from £202m. to a record £475m. in April. At the same time, a further cut in bank interest rates left a gap of 6½ per cent. between their respective gross returns. In view of this, a further cut in rates is expected to be announced on June 10.

The societies are still cautious, partly because of their experience last year, with a reluctance to see a reduction followed by a series of expensive increases. But they also wish to maintain a high level of receipts in order to restore high lending quotas. The present interest rate differential would appear to permit this even, given the pressures on the overall level of savings present from the tight squeeze on disposable incomes. However, if some of the problem of the past couple of years are to be avoided, then more frequent changes in rates will be required to match the greater volatility in financial markets.

Peter Riddell

New ways to attract savers

THE FREQUENT and sharp changes in the competitive position of building societies in the last few years have only aggravated their basic dilemma of how to attract sufficient funds while borrowing short and lending long and have intensified the search for longer-term sources of capital. A large proportion of the societies' money is, of course, effectively available on demand, or at least three months' notice at most, while loans are fixed for 25 years on average.

This is a position they have learnt to live with well in the past but the problems have grown more serious in recent years because of both the greater fluctuations in short-term money market conditions and a quicker response by investors to interest rate changes. The delayed and somewhat inflexible response of societies to changes in general interest rates—for legal and administrative reasons as well as because of inherent caution—has meant that net inflows have fluctuated rapidly.

At the same time the societies, in conjunction with the Government, have become committed to maintain a high and fairly stable level of advance. This has been in order to try to avoid some of the big changes in the level of lending of the early 1970s, and the associated impact on house prices.

Although variations in the level of liquidity can help to even out the fluctuations in the inflows, the societies' reserves are not a sufficient counter-cyclical tool in themselves. Consequently the societies have started increasingly to look at new ways of raising capital, notably via term shares.

Rapidly

Term shares—essentially the deposit of a certain minimum capital sum for a fixed period in return for a higher interest rate—have grown rapidly during the past few years as public demand for high interest rate investments has risen. The total amount held in term shares has risen by more than ten times in the past three years to over £2bn. This was equivalent to nearly 9 per cent. of all building society share balances at the end of last year. For some societies, the proportion is higher.

The gap between the net rate offered on share accounts and on term deposits is about a point for a period of three years, and half a point for two years. At present, for example, the major societies offer 7 per cent. net (10.77 per cent. gross to the standard rate taxpayer) on their share accounts, but 8 per cent. net for a period of three years and 7.5 per cent. for two years. In general there is a

minimum deposit of £500 to £1,000.

Although the major societies are not competing among themselves on the rates offered on term loans, as they do not on ordinary share account rates, much higher rates are offered by some smaller societies. For example, the Hearts of Oak and Enfield which offers a higher net share account rate of 8 per cent. will pay 8.75 per cent. for two years (with a minimum deposit of £1,000), 9 per cent. for three years and 9.75 per cent. for four years. This is equivalent to a grossed-up return of over 14½ per cent. Among the other societies offering more than the rate offered by the major societies for two-year term deposits are the Greenwich, Guardian, Magnet and Planet, Property Owners and Sussex Mutual.

But these extra payments also clearly mean an additional cost to societies. There are a number of responses to this—one is to try to offset some of the increased costs by investing to secure a high return in the money market. This is of course partly a circular exercise, though it is argued that the societies need to run a higher level of liquidity nowadays in view of the greater volatility in their net inflows.

The main solution has been to charge a higher interest rate on some categories of loans to borrowers. In the main, this means a higher mortgage rate for "special advances"—loans above £20,000—and other special types of mortgage. Some societies start their differential mortgage rates at this point, while others operate a sliding scale of bands starting at a lower level. In addition, endowment life assurance linked business has always tended to be at a higher rate, while some of the smaller societies have tended to charge more on all their loans, to match the higher rates some anyway pay on their ordinary share accounts.

The rapid growth of term shares, with the implications this has for the mortgage rate structure, has become a subject of considerable controversy within the building society movement. The Chief Registrar of Friendly Societies has taken a cautious view of term shares, arguing the need for prudent control and close monitoring. In his report published last summer, he said that "until further practical experience of the operation and effectiveness of term shares has been gained, societies will wish to continue to exercise restraint in issuing them."

Broadly, the argument for term shares is that the societies should develop a new capital structure which, while still founded upon the withdrawal-on-demand share account, has

a sizeable contribution from term shares providing longer-term and more stable money. On this view, it is desirable to protect against sudden withdrawals from the increasingly large number of interest-rate sensitive investors. Hence it is in the societies' interest to pay more for some of the money to provide more security and prevent at least some of the expensive across-the-board changes.

Changed

It is also possible that the whole rate structure could eventually be changed with lower rates than now paid on money on immediate demand and higher rates for longer-term deposits. This would recognise the changes in the needs and demands of building societies. The parallel argument for a sliding scale of mortgage rates to match higher investment rates is that large borrowers should pay relatively more for having the advantage of a larger than normal advance.

On the other side, it is argued that term shares merely result in a redistribution of society deposits, and not a substantial increase in total deposits. On this view, the offer of term shares results in a transfer of money from ordinary share accounts with little additional inflow but, of course, higher interest costs for the societies than they need otherwise have paid.

The evidence of the past few years with sharp fluctuations in the net inflow to societies does, however, suggest that savers are now more sensitive to interest rates. It is therefore possible that the introduction of term shares has ensured that some money stays with societies which would otherwise have gone to, say, local authorities.

The other fundamental argument is that the introduction of term shares and differential mortgage rates is challenging the mutual principles and approach of equal treatment to all upon which the societies have thrived for so long.

In addition to offering high interest rates on longer-term investments, the societies must also be paying more to regular savers through subscription shares. Most of the societies currently offer 1½ per cent. net more on subscription schemes than on ordinary share accounts. The attraction of these schemes is that the higher rate of interest is not without loss of freedom to withdraw. There is no penalty subscription lapses, though savings may be transferred into an ordinary share account with loss of benefit from the onward rise in the overall interest rate. Some societies permit even greater flexibility.

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Slack times in the housing market

THE mortgage rate may society executives believe the rate of price increases is set to rise quite sharply. They point out that houses are once again historically cheap in relation to earnings, that mortgage finance should remain plentiful for the remainder of the year and that the earnest predictions of house builders (with some interest in mind) that the price of houses will be again about the same as last year, the market has remained levelly stagnant.

Most societies believe that the lowering of the mortgage rate—with another drop likely within a few weeks, must help trigger off a faster rate of increase. House prices, despite the fact that some builders attempt to ignore it, depend on what people are willing and able to pay for their homes and a reduction in the mortgage rate may increase willingness to pay. Upward pressure on prices could then be expected.

Other factors are also involved, however, including the actual number of homes coming on to the market and the growth of incomes. The societies also point out that since the decision last year to increase the mortgage rate, a record of the last two price booms and the unprecedented rise in prices then regarded has been reversed.

In the early stages of this year there has been little to suggest that the trend is about to change. Predictions of substantial increases still abound although activity in the market is reported as being in areas and generally good throughout the country, prices have yet to make the leap which people want and others fear.

That is not to say, however, that by the end of this year the stability of the private housing sector could not still be fast-fading memory. Few are suggesting a return to the 1973 and 45 per cent. increase over 12 months, but a growing number of building

executives believe the rate of price increases is set to rise quite sharply. They point out that houses are once again historically cheap in relation to earnings, that mortgage finance should remain plentiful for the remainder of the year and that the earnest predictions of house builders (with some interest in mind) that the price of houses will be again about the same as last year, the market has remained levelly stagnant.

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Gamble

If the societies find themselves in a position to offer cheaper loans it is because they feel able to reduce the rate paid to their investors. And a reduction on this side of the equation is something of a gamble.

The societies have to take a view on just how much they can reduce the investors' rate without running the risk of stemming the inflow of funds and, if they are wrong, then the level of receipts can quickly dry up. So although mortgage finance may be cheaper there is less of it around, less demand for housing and less business for the house builder.

At the end of the day, the house builder really wants to know that there will be a plentiful supply of mortgage money available for his potential customers, and if that can be supplied at a cheap rate, then so much the better. A steady flow of funds is certainly his major priority, especially since recent events have proved that relatively expensive mortgage does not dissuade people from the idea of home ownership.

It is significant that the position regarding the availability of building society funds is no longer seen as a major limiting factor on demand for private housing. According to a survey released this week by the House Builders Federation, there has been a considerable improvement in the mortgage position compared to the potential crisis confronting the private house building industry at the beginning of the year.

There are, however, plenty of other problems standing between the builders and the next boom: Uncertainty over general economic prospects emerged once again as the principal factor deterring potential buyers from purchasing a house.

In addition, over 90 per cent. of the house builders taking part in the survey, reported that the high cost of buying a home and the saving of a deposit were both important limiting factors.

As for the builders themselves many said that apart from problems concerning profit margins, lack of building land and a major constraint on activity. The problem is reported to be particularly bad in London and the south-east and there have recently been examples of extremely high prices being paid for housing land as a result of intense competition for those sites which have become available. Whether or not the Community Land Scheme is responsible for the situation is debatable, but there are clear signs that the lack of development sites could soon present a major inflationary threat for the industry.

Notwithstanding all the problems, the builders do detect an improvement in demand and those engaged at the lower end of the market at least are experiencing something of a return to "the good old days" with houses sold well in advance of completion and margins of an almost respectable nature.

It may be too early to say that one of the hardest, most damaging downturns in the private housing sector is yet over, but the industry appears to be climbing slowly back out of the trough.

Declining

As a spokesman for the Building Societies Association commented: "Certainly houses are now cheap, although only just so, in relation to earnings, but given that the mortgage rate is still historically high and real incomes are declining, the environment does not exist for house prices to rise very much more quickly than has been the case in the recent past."

He added, however: "But if real incomes begin to rise and if further reductions in the mortgage rate are made, then a more substantial rate of in-

Government approaches not welcomed

ANY building society executives believe that the "beautiful friendship" between the Government and the Building Societies Association would impose a great deal of control over the affairs of the societies than is presently the case.

Although few observers took his efforts all that seriously, the proposed legislation recently put forward by Mr. John Rymann, Labour MP for Blyth, effectively placing the movement under State control did gather some support. There are bound to be continuing calls for the type of measures he suggested.

The basis of the criticisms levelled by Mr. Rymann and his supporters is that the societies are inefficient and have shown themselves unable or unwilling to help those people most in need as well as the better-off section of the community. Greater control over the distribution of their funds is seen as a way of ensuring fairness for all.

As for the Government itself, it tends to conduct its dealings with the societies in a less emotive and possibly more understanding light. Its continuing contact with the movement through the somewhat controversial joint advisory committee has provided a useful forum at which all interested parties—from the societies themselves to the Treasury and the Department of the Environment—have the chance to make their point and to listen to other opinions.

There are still considerable numbers of building society executives who believe that the committee is of minimal assistance to the movement and merely provides a one-way flow of information for the Government.

The "knockers" were, however, put firmly in their place earlier this week by Mr. Ray-

mond Potter, retiring chairman of the Building Societies Association, who stoutly defended the liaison arrangement. He told delegates at the association's annual meeting: "I make no apologies for the existence and effectiveness of the JAC. The very size and nature of our operations have brought us into the heart of the political and economic life of the country."

"There are those, I know, who tell us that we should get Government off our backs. My own view, which is shared by others, is that this regular dialogue has led, on the one hand, to a greater understanding in Whitehall of our problems and, on the other hand, to a greater understanding on our part of the wider factors which we should take into account in formulating our decisions."

Backcloth

It is certainly true that Government now has a better understanding of the problems which confront the societies in terms of regulating the flow of mortgage finance against wildly fluctuating economic backcloth. As Mr. Potter himself pointed out, it was interesting to note that those in Government who have expressed hope that the mortgage rate will fall have qualified their remarks with reference to the need to maintain a high flow of funds—an indication if ever there was one that at least some of the societies' major considerations are beginning to be understood and appreciated.

Even so, homes and the cost of home ownership will continue to provide the politicians with a major talking point and the chance to score points over their rivals. As long as this is the case, the societies can expect criticism of at least some aspects of their activities to continue.

But the movement does not only have to deal with central government. In fact, much of the emphasis is at present being placed on the ability of the societies and local authorities to co-operate in promoting home ownership further.

As a result of the public expenditure cuts announced by the Government, the local councils have found their ability to finance home ownership savagely cut back and the societies—with not a little Government prompting—have been asked to help fill the gap. The manner in which the proposals were dropped on an unsuspecting movement was, in fact, the last occasion that the societies got upset about "outsiders" attempting to tell them what to do.

For there are critics around—within and outside the Palace of Westminster—who would impose a great deal of control over the affairs of the societies than is presently the case.

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Mortgage

Moreover, both a repayment policy unless one is well-heeled, partly because it is the most flexible and partly because I think that it is best if they are dropped at an early stage, though this aspect often exaggerated. Normally potential wrapped up in buying and selling houses, endowment policies can be a policy for all sorts of reasons (school fees, for example), but mortgage endowments are difficult to tap or unravel. It should also be remembered that it is usually not difficult to swap from a repayment to one of the other forms of mortgages at a later stage.

Christopher Hill

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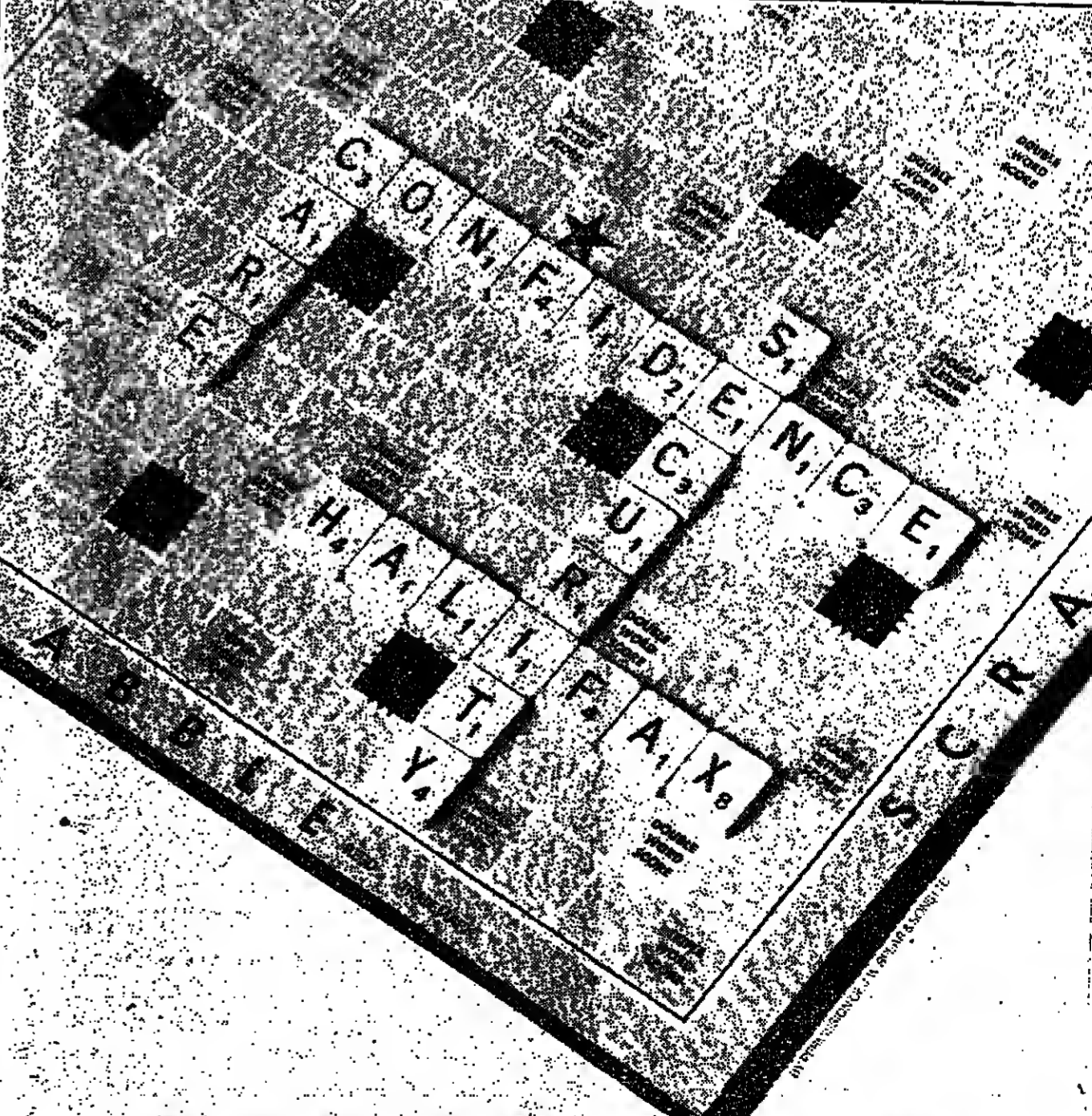
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SATURDAY, MAY 21, 1977

Unions struggle to organise North Sea oil rigs

BY RAY PERMAN and ALAN PIKE



Mr. Alan Bristow, ex-fighter with Foreign Legion, and a Croix de Guerre.

Surplus, but inflating

THE SHARP rise in retail prices in April will put paid to any premature euphoria about the state of the British economy.

Both on a year-on-year comparison, and on an adjusted six-month rate, price increases are still accelerating. In April retail prices were about 17 1/2 per cent above the year before.

But the official view that it will be down to 8 1/2 per cent in the spring of 1978 is at the optimistic end of the likely range.

Low point The persistence of a high rate of inflation at a time of fairly depressed economic activity is an international one.

In the U.K. domestic monetary policy has been pretty restrictive. In the year up to April the sterling component of the money stock rose by only about 7 1/2 per cent.

Letters to the Editor

Graduates

From the Director of the Masters Programme, London Graduate School of Business Studies. Sir—I was glad that Michael Luxon's article in the May 12 issue of the Financial Times...

Exports From Mr. D. Jeddah. Sir—Many of our readers have recently advocated corporate tax concessions on profits derived from exports.

"If people mess me about the recruitment, I don't think it was coincidental and I don't think anyone in their right minds would either."

Mr. Bristow, himself a helicopter pilot who once served in Indo-China attached to the Foreign Legion and operated whale-spotting helicopters in the Antarctic, is now increasingly at the centre of the whole controversy about trade union efforts to unionise the North Sea oil industry.

Vital to oil companies

Bristow's is the largest helicopter firm serving the forest of 20 rigs and 13 platforms which has grown up in the rich oil fields off the north-east coast of Scotland, and operates principally from Dyce Airport, Aberdeen, with a sub-station at Sumburgh, Shetland.

The helicopter service is vital to the oil companies. Although only 5 per cent of freight for the fields goes out by air, no installation could function for long without a regular, reliable and quick way of transporting rig crews, providing ambulance cover and the vital equipment or experts that might be necessary in an emergency.

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Committee looked at the dispute at the start as a bit of a sideline to its own activities, but offered support in the interests of seeing an anti-union employer brought into line.

But slowly, as more and more workers became drawn into sympathy actions, the Offshore Committee has found itself confronting the oil companies en masse for the first time.

The intention was to persuade British Petroleum, Mobil, Burmah, Texaco and Amoco, to stop using Bristow's but it is a measure of the weakness of unions in the oil industry that so far it has failed.

BALPA, supported by other TUC unions in the airline, then pronounced the move an attack on trade unionism and led its members out on strike.

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There are limits to what can be done without risking embarrasment. Recognition has to be negotiated with individual companies and so far only an agreement has been signed between the NUS and Hour Brothers, the rig operating subsidiary of Furness Withy.

There have also been regular meetings between the Offshore Committee and the "liaison panel" of the U.K. Offshore Operators Association to discuss access and in very general terms the procedures for recognition. But again these have been of limited value to the industry since the Association has no power to negotiate.

THE OLD battles and pre-Victorian crusades against a united trade union power in Mr. Young has an antagonist of similar firm-mindedness and considerably more industrial experience than a small, specialised organisation like Arm and the Croix de Guerre.

Conciliation moves have so far met with no success and the strikers are trying to extend their action in the hope that pressure from the oil company customers may move Mr. Bristow. But neither their strong-willed employer nor their union easily moved, and the pilots of Aberdeen should perhaps draw some comfort from the fact that life is legendary but—although warmer weather is coming.

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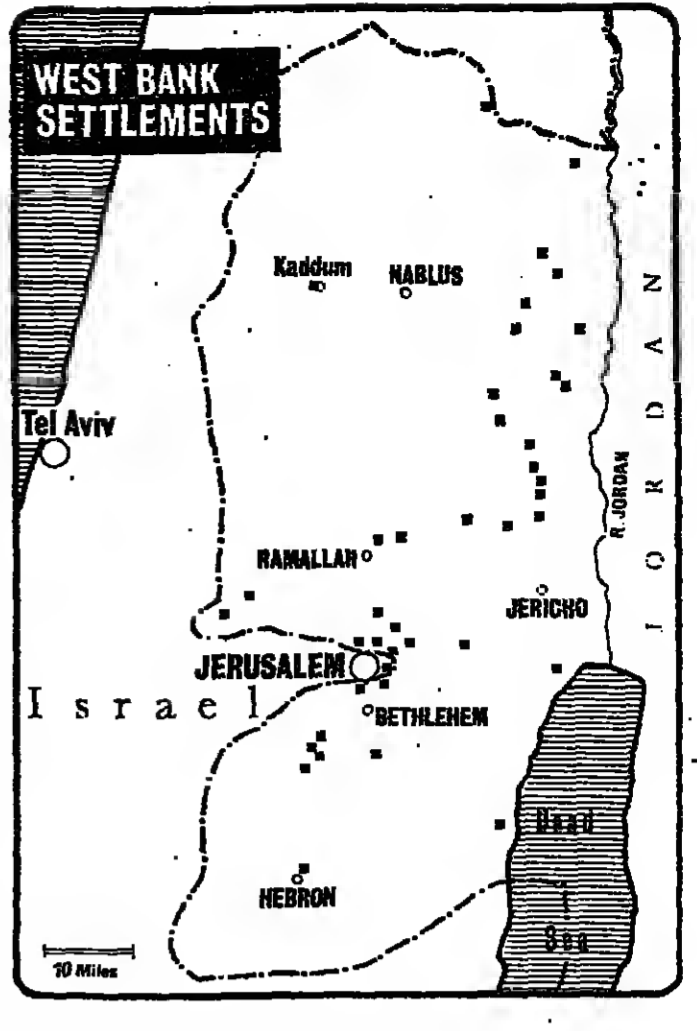
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Joy 100 15/50

Israel's new political shape

BY RICHARD JOHNS, in Tel Aviv



ROCK result of this negotiations with the Arabs. This was not only of the In which the hawkish voters who moved en masse to support the recently formed Democratic Movement for Change, the new reformist party led by Professor Yizhak Rabin but also others switching against any peace settlement with the Arabs. This is certainly a misinterpretation of the voters' intentions; it is probably the DMC itself, gave low priority to the question of conditions for a peace settlement in line with Mr. Yadin's belief that Israel cannot face up to one until it has attained internal strength from reform and that next to achieve peace substantial withdrawal occupied territory, or, least, all this must be seen as symptomatic of the Israeli public's tendency, since the conclusion of the last engagement agreement with Egypt two years ago, not to come to grips with issues involved in a Middle East settlement before it has to. Already, the international implications of a Likud government are beginning to sink in. In the meantime, however, the election result is regarded primarily as a "triumph for democracy" because—at last—the Labour movement has been removed from its predominant place in the nation's political life and almost certainly from office.

had not expressed any preference to the pollsters. To a great extent the vote was one for change graphically expressed in the 19 per cent of the vote won by the DMC. Its mere appearance on the scene was enough to make the Labour Party introduce direct elections for its Congress which originally confirmed Mr. Yitzhak Rabin as its leader and also gave the party membership a limited say in the choice of Knesset candidates. Despite its negative aspects Tuesday's vote was certainly a healthy one for Israel's democracy.

Forces rising from below broke a stiff upper crust to create a new political configuration which has still, however, to reveal its true shape. It looks as if there is a new and even balance in terms of parliamentary seats between the right-wing and religious elements, on the one hand, and the centrist and more left-wing parties, on the other. That generalisation is true if one assumes the DMC to belong to the latter category. That party's desire to hold the balance of power so that it can make its reformist zeal felt—in particular by modifying the system of proportional representation through the introduction of a measure of direct election—makes it anxious to join a coalition. It remains to be seen whether the Likud and the religious parties, which want more than the bare majority in the Knesset which they can just muster between them, can accommodate themselves to the DMC's conditions.

The important fact is, however, that Israel has undergone a political upheaval apparently dividing the nation more clearly down the middle than ever before and meaning a change in its political structure at precisely the point in time when there is a premium on stability and unity to meet the increasing pressures for a settlement in the Middle East. In this context the "democratic triumph" seems immediately somewhat irrelevant.

Underlying tensions have not of course by any means been unrelated to external factors. Significantly in 1973 the Likud had increased its share of the votes of blue-collar workers and the Jewish community of Oriental origin—both categories which should have been a source of special concern to the Labour Alignment. But the underprivileged Jews originating from Arab countries and Asia are known to be relatively much more antagonistic to territorial compromise and negotiations with Palestinians—even if the latter recognised Israel's right to exist—than the average. The right-wing bloc also attracted a disproportionate support from the men still in uniform after the October war. When the votes of national servicemen and reservists have been double-checked this time they are expected to increase its Knesset representation further.

Unrest over the approach to the Middle East settlement by President Carter has grown over the past five weeks and undoubtedly undermined Labour's stand as the party with the access to and influence in Washington. Coinciding with the formulation of a peace initiative in Washington, the emergence of Mr. Begin as the front runner for the leadership of the next Government will, at least, force Israelis to face more squarely the question of the future of the occupied territories. It is 10 years now since they were conquered and Jerusalem was united. After they were overrun in 1967 the Government of National Unity, which included Mr. Begin, assured the U.S. that it had no wish to absorb them into Israel. At that point the main concern was to obtain defensible borders as a result of peace treaties with Egypt, Jordan and Syria.

Yet it did not take the Israelis long to familiarise themselves with the biblical sites of the West Bank which in official language quickly became Judea and Samaria. By 1968 the establishment of settlements there, on the Golan Heights, in the Gaza Strip and beyond into Sinai was proceeding apace.

Mr. Begin's fundamentalist conviction about these belonging to Israel by right is not shared by all in the Likud, especially so in the faction representing the former Liberal Party. At the same time there are many in the Labour Alignment who will also refer to the Bible in discussion of the whole question of settlement, not the least Mr. Moshe Dayan and Mr. Shimon Peres.

On Thursday Israel's prospective new Premier made a point of attending a religious ceremony at Kaddum near the site of the ancient capital of Samaria. There he asserted that a "Jew has every right to settle in these territories." There could be no question of annexation because "you cannot annex your own country." The Labour Party leader Mr. Peres retorted although there is nothing to prevent Israel imposing its own law on the occupied territories it would not be "permissible."

Kaddum was never authorised by the outgoing Labour Government but was allowed to remain in "temporary" being behind the barbed wire of an army camp, despite Mr. Rabin's decision in April of this year. His pusillanimity was largely because of opposition by Mr. Peres, then Defence Minister, to its removal. Only last month the first settlement was permitted in Samaria, near Tul Kareem,

others, in Judea, having also been justified on grounds of security.

Ambivalence on this issue of settlement which has been expressed by the U.S. and more vociferously by other countries apart from Arab States since the beginning, cuts across the political groupings. Quite apart from the objective of defensible borders, Israel has grown accustomed to its possession and de facto control.

It is difficult for any Israeli to contemplate soil in the occupied territory which has been a cleft by a Jewish pioneer ever being renounced. The concept of "real peace" for most would include also freedom of movement by Israelis in any part of

Israelis have expressed their much-vaunted system could be such a result—mainly of the adverse publicity of the past two days that the world at large, under-lying enough, focused its attention on the Likud's return to power and the Labour Party's decline in support.

Floating voters

Disenchantment with Labour had set in during the beyond days of boom and growth before the October war of 1973 did much to discredit the leaders who saw themselves, as the "punish Labour for democracy." It is now clear that the writing was on the wall ever actually favoured its more than six months ago and flexible (but nevertheless restrictive) action on portion of floating voters who

LABOUR NEWS

End to Port Talbot trike may be near

ALAN PIKE, LABOUR STAFF

FIRST sign of an end to the official electricians strike has closed the British Corporation's Port Talbot works for two months. The strike leader, said after yesterday's meeting that the strikers would be able to vote on whether or not to continue the dispute next week. "I hope they will decide to continue because I don't think we will get a fair deal if we go back," he said. Some men's attitudes had been changed because of pressure to return to work by the executive committee and the TUC steel committee and a lack of support from their own union.

The union has repeatedly instructed the strikers to return and this week the TUC steel committee issued a strong statement condemning the action which people.

Post workers uphold apartheid protest

NICK GARNETT, LABOUR STAFF, IN BOURNEMOUTH

TO ensure the executive of the Union of Post Office workers for its attempt to take industrial action against South Africa's apartheid policy was announced yesterday.

The conference was warned by several delegates that renewed industrial action against the South African motion, and that the conference was to be held in the glacial atmosphere which had been created by the union's general secretary, Tom Jackson, on South Africa's attitude to "black workers."

The union defeated a motion to consider re-introducing an industrial action against South Africa on the day yesterday.

The conference was instructed to press for a cash subsidy from the profit-making telecommunications side of the Post Office to the heavily losing parcels division.

Union urges change of Leyland structure

OUR LABOUR STAFF

VAL of one tier of British Leyland's structure with its various divisions reporting to the National Enterprise Board was recommended today by one of the main white-collar unions.

The Scientific, Technical and Clerical Staffs' Association urged that the new Mini went ahead and was speeded up where technically possible, along with plans for a replacement middle-range car.

Complaint against MP pickets

FACTORS of the Grunwick Conciliation and Arbitration Service arising from a survey of a 40-week-long recognition dispute at Grunwick, and is understood to be arguing that the three Ministers—Mr. Denis Howell, Mr. Fred Mulley and Mrs. Shirley Williams—were in contempt of court by seeking publicity which might influence the action.

U.S. and Russians 'agree on arms talks'

BY OUR FOREIGN STAFF

THE U.S. AND RUSSIA were reported last night to have reached an agreement in Geneva on negotiating an accord to limit strategic weapons after three days of talks between Mr. Cyrus Vance, U.S. Secretary of State, and Mr. Andrei Gromyko, the Soviet Foreign Minister.

Officials with Mr. Vance were quoted as saying that an agreement had still to be worked out, but the framework established in Geneva meant the process could now begin.

After intensive consultations Mr. Vance was prepared only to say that the talks had been "very useful." He will make a statement to-morrow. Both sides will release a joint communiqué.

Before his final meeting yesterday with Mr. Gromyko, Mr. Vance spoke to Mr. Gromyko.

Mr. David Bell adds from Washington: Both the White House and the State Department were cautiously optimistic last night that the talks in Geneva were making progress, but reports of a breakthrough appeared to catch both by surprise and there was no immediate comment.

Mr. Jody Powell, Mr. Carter's Press secretary, said earlier that "there are some signs which may be hopeful," but cautioned against too much optimism. At the State Department, Mr. Fred Brown, a spokesman, echoed this position, but would not speculate on what the program might be.

Reports this morning suggested that the two sides might be close to an agreement under which they would effectively ratify at least part of the 1974 tentative accord reached at Vladivostok. This would then open the way to detailed and long-term discussion of the issues raised in the second, and most controversial, part of the Carter disarmament proposals.

This could not be confirmed in Washington to-night. Officials were wary of committing themselves. If there has indeed been some progress it may well be viewed as something of a victory for President Carter who was criticised six weeks ago for hardening the Soviet Union too fast end to public ally.

Malcolm Rutherford writes: The talks in Geneva have been in sharp contrast to Mr. Vance's visit to Moscow in March, when he presented Mr. Carter's new proposals and hoped to stay for several days to discuss them. But he was rebuffed, and no negotiations took place.

David Egli writes from Geneva: Since then, the Russians have indicated several times their continued interest in a new SALT agreement, but mainly along the lines agreed by President Ford and the Soviet Party leader, Mr. Brezhnev, at Vladivostok in 1974.

Those provided for a ceiling of 2,400 on strategic missile launchers and a sub-ceiling of 1,320 for those with multiple independently-targetable warheads (MIRVs). They omitted, however, any reference to the cruise missile and the Soviet Backfire bomber, which have been bones of contention ever since.

Mr. Carter put forward two alternative proposals: either to attempt to reach a much more comprehensive agreement, or to ratify Vladivostok at once and quickly move to the contentious issues in subsequent negotiations.

Treasury defends cuts distribution

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE TREASURY yesterday defended the distribution of the cuts in public expenditure over the next two years in reply to criticisms by an all-party Commons committee.

The Expenditure Committee criticised the balance of the cuts in the Expenditure White Paper, published earlier this year, and argued that the Government was acting like those industrialists it criticises for failing to invest.

The committee pointed to the contrast between a projected 0.7 per cent rise in current spending in real terms in the two years to 1978-79 and an 18.4 per cent drop in capital expenditure over the same period.

Commenting on the committee's report published yesterday, the Treasury says the Government must take into account the relative feasibility of cuts in current and capital expenditure, particularly in the local authority field, and of the consequences of some capital programmes for subsequent current expenditure.

The Treasury also points out that £100m has been committed in the budget over the next two years for construction work in inner city areas. A reassessment of the whole balance between capital and current items is now taking place as part of this year's public spending survey.

In its comments, the Treasury also says it hopes to get back as quickly as possible to publishing the annual Expenditure White Paper either before the

Economic Diary

SUNDAY—Mr. Walter Mondale, U.S. Vice-President, arrives in U.K. for talks at Chequers. EEC Foreign Ministers meet. Leeds Castle, Maidstone. Association of Scientific, Technical and Managerial Staffs conference. Eastbourne. National Union of Public Employees' conference, Brighton.

MONDAY—International Monetary Fund team begin discussions with Treasury on Britain's economic progress since IMF loan. Two-day annual consultations open between Japan and European Coal and Steel Community to review steel demand.

NEW session of United Nations Conference on the Sea. Conference begins, New York. TUC Finance and General Purposes Committee meets, Coal Industry Society annual meeting, Hyde Park Hotel. S.W.A. Preliminary estimate of gross domestic product based on output data (first quarter). Turnover of motor trades (first quarter). New vehicle registrations (April).

TUESDAY—President Carter due to meet Crown Prince Fahd of Saudi Arabia in Washington. CBI London and South East Regional Council meets. Police Federation conference opens, Scarborough.

General Council of British Shipping annual report. Unemployment and unfilled vacancies (May, provisional). Construction new orders (March).

WEDNESDAY—Labour Party National Executive meets. TUC General Council meets. From today, surveillance licensing of iron and steel imports to U.K. from non-EEC countries comes into effect. Margaret Thatcher, Opposition leader, addresses Conservative Women's conference, Central Hall, Westminster. CBI Wales Council meets. Automobile Association annual meeting. Bricks and cement production (April).

THURSDAY—Scottish National Party conference opens, Dundee. Lord Watkinson, CBI president, speaks at its Southern Region annual lunch. Financial Times

WEDNESDAY

two-day conference on Management of Foreign Exchange Risks opens, Dorchester Hotel, W.1. Car and commercial vehicle production (April final). Capital expenditure by manufacturing, distributive and service industries; and manufacturers' and distributors' stocks (first quarter, provisional). Unemployment (April final). Employment in production industries; and overtime and short-time working in manufacturing industries (March). Stoppages of work due to industrial disputes (April). Energy Trends publication.

FRIDAY—House of Commons rises for Whitson recess. Welsh Labour Party conference opens, Llandudno. Sales and orders in engineering industries (Feb.).

M&G RECOVERY FUND

Widely acclaimed by financial journalists and investment advisers, M&G's Recovery Fund, designed to produce capital growth, ended March as Britain's best-performing unit trust over the 12-month and six-year periods. It has a policy of buying the shares of companies that have fallen upon hard times. Many of these companies recover, and through a process of careful selection M&G has been able to bring high rewards over the years to Recovery Fund investors. An investment of £1,000 at the time of the Fund's launch in May 1969 had, at the offered price on 19th May 1977, grown to £4,920 including reinvested income. During this period the F.T. Industrial Ordinary Index, which does not include reinvested income, has gone up by 14.3%.

Investors should regard unit trusts as a long-term investment and not suitable for money needed at short notice.

The price of units and the income from them may go down as well as up.

Net income from the Fund's investments is automatically reinvested for your benefit and at the latest offer price of units of 246 p on the 19th May 1977 the estimated current gross yield was 5.45%. Prices and yields appear in the F.T. and other leading newspapers daily. The price includes an initial charge of 3.4% and there is an annual charge of 4% (plus VAT).

You can buy or sell units on any business day. Contracts for purchases or sales will be due for settlement 2 or 3 weeks later. The Trustee is Barclays Bank Trust Company Limited. The Fund is a wide range security authorised by the Secretary of State for Trade. Commission at 1.5% is payable to accredited agents. M&G is a member of the Unit Trust Association.

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Complete this section if you wish to make a Regular Monthly Saving (minimum £10 a month).

If you want to save more than £20 per month, or cannot sign Part I of the Declaration, delete that part of the declaration and we will send you our standard proposal form, which we will also send to anyone applying over 50.

I WISH TO SAVE £ [] each month in the M&G Recovery Fund.

I enclose my cheque for the first monthly payment, payable to M&G Trust (Assurance) Ltd.

OCCUPATION [] DATE OF BIRTH []

NAME AND ADDRESS OF USUAL DOCTOR (to whom reference may be made)

Are you an existing M&G Plan holder? Yes/No

Declaration PART I: I declare that, to the best of my belief, I am in good health and free from disease, that I have not had any serious illness or major operation, that I do not engage in any hazardous sports or pursuits, that I do not engage in aviation except as a fare-paying passenger on recognised routes, and that no proposal on my life has ever been adversely treated.

PART II: I agree that this declaration and any declaration made by me in connection with this proposal shall be the basis of the contract between me and M&G Trust (Assurance) Ltd, and that I will accept their customary form of policy.

SIGNATURE [] DATE []

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FOUNDERS OF BRITAIN'S UNIT TRUSTS

COMPANY NEWS + COMMENT

Debenhams tops £20m.—1 for 3 rights

DEPARTMENT STORE, shop, and supermarket operators, Debenhams reports to investors...



Sir Anthony Burney

being recommended on a gross basis and will be paid after the rate of income tax...

Opening reserves of £112.32m. have been restated to reflect the transfer of deferred tax...

Sir Anthony Burney, the chairman, points out that sales including VAT show an increase of more than 32 per cent...

Results due next week Britain's largest industrial company, ICI, reports to investors...

Table with columns: Company, Announcement date, Last year, Final, This year

DIVIDENDS ANNOUNCED

Table with columns: Company, Date, Current payment, Corro. Total, Total

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue.

thereby reducing short term indebtedness. The issue of 33,048,813 new ordinary shares is to holders on the register on May 10, 1977.

The issue has been underwritten by Kleinwort, Benson and Morgan Grenfell and the brokers to the issue are W. Greenwell and Partners.

Stafflex slips in second half FUSIBLE interlinings manufacturer, Stafflex International achieved taxable profits for 1976 of £3,088m, against £1,98m, after VAT...

MAM up to £0.93m. midway REPORTING turnover up from £5.1m, to £6.2m, for the six months to January 31, 1977...

English Property The directors of English Property Corporation announce that the extraordinary resolution to approve the early redemption of the outstanding £506,257 of the 1974-75 First Mortgage Stock...

Table with columns: Company, Announcement date, Last year, Final, This year

Ever Ready ahead by £12.7m. to £29m.

AFTER BEING more than doubled at £10.9m, against £5.2m, for the first six months, pre-tax profits of battery manufacturers and exporters...

External turnover expanded from £129.4m to £172.2m, with overseas sales accounting for £75.2m...

There are three main reasons for Ever Ready's profits explosion during 1976-77. Export margins improved substantially...

HOUSE OF FRASER STORES operator, House of Fraser achieved a turnaround from a loss of £24,000 to a pre-tax profit of £97,000 for the 13-week period ended April 30, 1977...

R. A. Dyson second half recovery Second half profits of £99,637 against £2,397 enabled trailer manufacturers and engineers, R. A. Dyson and Co. to achieve a profit for the year ended March 31, 1977...

BAC profits at £40m. peak By Our Aerospace Correspondent IN ITS LAST full year before nationalisation, the British Aircraft Corporation in 1976 earned a record group profit before tax of nearly £40m...

Goldberg expands again after midterm setback AFTER A SLIGHT downturn at halfway from £43,000 to £45,000, pre-tax profits of departmental stores operators A. Goldberg and Sons improved in the second half to give the group £4.1m, against £1.1m...

ISSUE NEWS LONRHO DETAILS Provisional allotments for Lonrho's rights issue have been accepted for 22,743,773 shares...

Derritron advances to £362,225

AFTER development expenditure of £16,025 against £38,827, pre-tax profit of electronic equipment manufacturer, Derritron came out at £362,225 for 1976 compared with £112,550 for the previous year...

Malton Inv. considering liquidation The directors of Malton Investment Trust are considering whether it might be in the interests of shareholders to recommend a liquidation or sale of the company.

Storey Bros. may step up dividend Dr. David Harper, chairman of Storey Brothers, who announced last week that the group was in big talks, told the annual meeting that no formal offer had been made...

Rank raises Can.\$20m. loan Underwriting under the leadership of N. M. Rothschild and Sons is now in progress for a five-year \$20m. guaranteed note issue by Rank Overseas Holdings...

Goldberg expands again after midterm setback (Continued from previous page)

COLINSESS—95% ACCEPTED Mr. E. S. Gibbons, chairman of the Colintess Group, told shareholders at the annual meeting that the one-for-seven rights issue at 28p had been taken up to 95 per cent...

M & G RECOVERY The M & G Recovery Fund is being offered this week-end and investors have two ways in which they can participate...

UNIT TRUSTS Lawson High Yield Fund This week the Lawson High Yield Fund, set up to offer investors a portfolio of high yielding securities...

First half increase by Gleeson

CIVIL ENGINEERS, building contractors, and estate developers, M. J. Gleeson (Contractors) lifted profits from £473,000 to £598,000 in the half-year to end 1976 before tax of £382,000 compared with £285,000, turnover was £1m higher at £58m.

Court Line 3.5p first distribution The creditors of Court Line are to receive a first interim distribution of 3.5p per £1 on August 1, 1977...

Reckitt and Colman well placed Mr. Arthur Mason, the chairman, said that 1976 was, by any standards, a remarkably good year. Performance so far in 1977 has been satisfactory...

W. L. Pawson slumps in second half A turnaround from a 1976 profit of £56,770 to a loss of £108,448 is reported by W. L. Pawson and Son. This is the group's first loss for the year since 1971...

HAZLEWOODS PT The directors of Hazlewoods (Proprietary) state that as a result of the restructuring of the company in March 1977, the interim dividend which is to be paid on October 30, 1977, is to be 40p per share...

CANLIFE EXCHANGE Canada Life Unit Trust May are drawing the attention of investors to this week-end's Unit Trust Exchange which enables investors to exchange their equity portfolio for units in the two trusts managed by the group...

SCHLESINGERS EXCHANGE Schlesinger Trust Managers is advertising its Share Exchange Scheme this week-end, which enables investors to exchange their portfolios of ordinary shares into units of one or more of the trusts run by the group...

ARBUTHNOT HF INCOME FUND Units of the Arbuthnot Income Fund are on offer week-end with an eight per cent current gross yield of 10 per cent. The trust aims at income growth and the portfolio is balanced between equities and fixed interest securities...

Advance by United Engineering

DESPIITE LOWER sales of £4.17m compared with £4.4m, United Engineering Industries lifted pre-tax profits from £38,315 to £70,200 in the year to January 31, 1977 after a rise from £18,600 to £27,500 in the first half.

Controlting shareholders of the company are waiting for the joint liquidators to advise to take no action.

W. L. Pawson slumps in second half (Continued from previous page)

HAZLEWOODS PT (Continued from previous page)

CANLIFE EXCHANGE (Continued from previous page)

SCHLESINGERS EXCHANGE (Continued from previous page)

ARBUTHNOT HF INCOME FUND (Continued from previous page)

M & G RECOVERY (Continued from previous page)

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Sir James Goldsmith is making a bid worth some £40m. for the French master company Generale Occidentale to buy the 49 per cent not already owned in the British food company Cavenham, at 155p a share. The offer, in cash and with backing of Samuel Montagu as advisers to the independent non-directors, came after days of intensive discussions and the suspension of the Cavenham shares at 140p last week. The partial bid was a surprise to the City, where it had been widely expected that Generale Occidentale would try to acquire the whole of the Cavenham minority and if that failed, some controversy. Demands for an offer have intensified since Mr Goldsmith intimated a bid of 120p a share for the minority interest in January, but dropped it when the proved unacceptable to Cavenham minority directors who bid for at least 180p a share. The effect of the partial bid at, if successful, it will raise Generale Occidentale's stake in Cavenham to over 75 per cent, a level which would bring it advantages under French law.

Orbho, the international trading group headed by Mr. Tiny Andri, is making its first move into the U.K.-hotel industry an agreed cash bid of £25m. for AVP Industries, which the Metropolitan chain of hotels as well as manufacturing of hotels and refrigeration equipment. Terms of the offer are a share in cash.

Lyde Petroleum, the Glasgow-based exploration concern, has shed a £1.6m. bid for Lyon and Lyon, the West Yorkshire re operator. The outcome of the offer seems far from clear and speculators have pushed Lyon and Lyon's share substantially above the offer of 50p per share cash in anticipation of eventually increased terms.

Lighting & Leisure, suspended at 6p at the company's pending news on whether control is to change hands: it is currently involved in bid talks with an unnamed party which may result in an offer being made at a price appreciably above the current market level.

Letters Group, the only publicly quoted football pool concern, made another major move into the area with the purchase of 100,000 shares in a £1.5m. deal.

The British Rollmakers Corporation, having fully considered the offers of Johnson and Firth Brown's £10m. bid, has come in favour of JFB's terms, although it regrets that the offer is not all cash alternative.

The Zilkha family interests in Mothercare, the successful ren's wear group founded and headed by Mr. Selim K. Zilkha, been roughly halved by the placing of approximately 8m. shares worth some £21.6m., with a number of City institutions. Allied City Share Trust and Birmingham Industrial Trust

have agreed a merger to be effected by an issue of the new Ordinary shares of the latter.

Company bid for	Value of bid per share (p)	Market price (p)	Price bid (p)	Value of bid (£m.)	Final bid date
Adams Foods	29*	28	24	4.94	—
Aluminium Corp.	100*	97	41	0.4	—
Andre Sientbloe	35*	56	41	5.29	23/5
Assam Cons. Tea	28*	20†	0.24	Yule Caltio	—
AVP Inds.	130*	126	83	24.8	Lourhe
Batu Mataang	115*	115	60	1.04	LVC Securities
Bever Group	46*	40	37	1.2	Herhad
Brit. Rollmakers	38*	53	49	6.4	CH Industris.
Cavenham	155*	140	38.8	Jhun. & Firth Brown	
Centre Hotels (Cranston)	58†	58	49	15.3	Coral Leisure
Colson Invest. Eng. & Caledonian	21†	26	20	0.85	T. Cowis
Investment Estates House	106†	101	91†	15.3	Euro Ferries
Forest Invest.	305	265	262	59.6	Cial Day
For's Biscuits	18*	21	17	0.9	Dayway Day
Hay's Wharf	130*	137	130	2	Nibra Foods
James (Mauike)	158†	162	104	26.1	Ocean Transp.
James (C.H.)	205	21	22	1.2	York Trust
Land House Prop. Corp.	80*	53	32	0.39	JWI
Lansop Inds.	30*	25	11	1.68	BSR
Leaburg Tea	100*	101	95	10.1	A Guinness
Leahng & Leisure	133*	133	130	0.27	Walker Duncan
Lyon & Lyon	55*	82	55††	3.58	Mean Eperston
Newall Mchm. Tool	56*	54	20	2.6	Clive Perrol
New Bridge Hlge.	24*	23	0.4	3.6	Elliott & Co. Lond. & Euro. Group
Patan Para Pints	190†	120	120	1.2	Lonus Plants
Read & Mallik	39*	38	29†	1.3	Rush & Tanks.
Shellbear Price	45*	43	37	1.35	Britwell
Simonside Inv. Trst.	95	77	1.7	Alber Harvev	
SPR Investments	148†	140	108	5.74	Wedgewood
Stephen (John)	4*	5	0.4	Mr. Michael Sobell	
Tebbutt Group	71*	13	8	0.23	Clients of Rowe Rndd Dowty
Ultra	296	280	95	1.3	—

* All cash offer. † Cash alternative. †† Partial bid. ††† For capital not already held. †††† Combined market capitalization. ††††† Date on which scheme is expected to become operative. ** Based on 19/5/77. ††††† At suspension. ††††† Bid.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends* per share (p)
Anglo-Swiss HLgs.	Dec. 31	851	(7.31)	—
As-sure metal	Dec. 31	701	6.9	3.75 (2,959)
Autorage Inds.	Mar. 31	238	6.6	4.0 (1,525)
Becham Group	Mar. 31	126,900 (91,200)	47.8	24.9 (5,541)
Hedion	Mar. 31	91,100 (72,000)	11.9	110.01 (2,459)
Boscis	Mar. 31	785	(689)	9.0 (8.2) (6,037)
British-Borneo	Apr. 3	1,438†	(624)*	8.0 (3.8) (2,333)
Bulmer & Lumb	Dec. 31	406	(482)	3.7 (3.9) 1.5 (1,38)
Cakehouse Inds.	Apr. 30	1,360†	(858)	(36.5) (36.5) (15,72)
Cater System	Mar. 31	1,350†	13.0	11.1 (2.45)
Charmfield & Co.	Dec. 31	1,543	(800)	6.9 (6.4) (3,777)
Chesterfield Prop.	Mar. 31	10,214	(7,935)	3.5 (3.2) (3,548)
Coalite & Chemical	Dec. 31	76,426 (36,986)	13.9 (9.9)	2.917 (2,852)
Coitis Falcos	Dec. 31	222 (158)	3.4 (3.1)	2.237 (2,084)
Copydex	Jan. 31	11,446 (4,089)	11.8 (4.8)	4.024 (3,658)
Doppo	Jan. 31	199	(281)	2.8 (3.5) 3.1 (3.1)
J. Dykes	Mar. 31	1,750	(1,315)	9.9 (7.5) 4.643 (4,221)
Flaghly Radio	Dec. 31	4,157	(3,859)	(4.1) (2.2) (1.1)
J. Folkes Rein	Feb. 28	388	(94)	3.0 (0.8) (253)
J. Foster	Dec. 31	3,076	(1,895)	1.8 (—) 0.5 (0.05)
French Rier	Dec. 31	25,642 (14,155)	63.7 (34.7)	23.16 (6,651)
Guinness	Apr. 3	69	(124)	—
H. Gooding	Dec. 31	35L	(68)	—
Hartwell Group	Feb. 28	1,322	(701)	11.7 (8.0) (3,333)
C. E. Heat	Mar. 31	11,371	(6,401)	65.7 (36.0) (10,232)
High Bros.	Dec. 31	112	(124)	—
James Group	Dec. 31	1,237	(1,181)	7.3 (7.1) 5.0 (4.5)
Langon Bros.	Jan. 31	162	(178)	25.1 (25.1) 5.75 (5.5)
Lipson	Jan. 31	173	(189)	2.8 (2.1) 1.0 (1.0)
McNeill Group	Jan. 29	188	(182)	22.9 (21.1) 3.78 (3.4)
Minny	Jan. 29	188	(182)	22.9 (21.1) 3.78 (3.4)
Newnmo Indus.	Dec. 31	1,714	(1,583)	14.2 (10.8) (3,169)
J. N. Nichols	Mar. 31	509	(579)	38.7 (11.5) (7.0)
Peerage of Birmingham	Dec. 31	410	(307)	5.9 (4.8) (1,448)
Pentland Indus.	Dec. 31	387	(193)	3.1 (1.8) (6,002)
Pyramit	Dec. 31	221	(189)	5.0 (3.7) 2.176 (2,012)
Resident Intol.	Mar. 31	7,219	(3,900)	4.6 (3.5) 1.42 (1,158)
R. Ruseimo	Dec. 31	2,510	(2,770)	15.3 (20.2) 7.42 (8,751)
Sherburne Marshall	Apr. 30	476	(428)	22.7 (22.7) (25,023)
Southern Stadium	Dec. 31	115	(103)	1.0 (0.9) (0.516)
Time Products	Jan. 31	2,929	(2,473)	12.0 (10.5) (1,502)
Time Products	Jan. 29	16,178	(19,152)	6.7 (8.8) 4.5 (4.8)
C. W. Walker	Jan. 29	397	(387)	31.8 (10.5) (2,849)
Theo. Warrington	Dec. 31	132	(225)	2.0 (4.9) (3.13)
Whitbread	Feb. 28	42,574	(30,857)	8.2 (5.8) 3.524 (3,204)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividends* per share (p)
Associated Paper	Apr. 2	795	(217)L
Baggeridge Crick	Mar. 31	111	(120) L
Barco Transport	Mar. 31	354	(87)
Bob. Borwick	Mar. 31	5,100	(4,029)
Brockhouse	Mar. 31	1,082	(1,100)
Coocentrie	Mar. 26	1,188	(905)
James Crean	Dec. 31	502	(278)
J. A. Devenish	Mar. 18	2074	(51)
General Accident	Mar. 31	11,900	(11,001)
G. & C. Kynoch	Feb. 28	28L	(41)L
Hawkins & Tipson	Feb. 28	520	(280)
Jessups	Feb. 28	206	(82)
Land Investm.	Sept. 28	551	(38)
Leeds & Dist. Dyers	Mar. 31	510	(288)
Midland Industries	Mar. 31	803	(802)
Pochin's	Nov. 30	185	(188)
Banker Horis McD.	Mar. 3	20,879	(19,853)
Redman Housen	Mar. 31	1,070	(1,431)
Spooner Indus.	Mar. 31	359	(325)
Stenhouse Hlgs.	Mar. 31	4,246	(2,982)
Geo. Sturtis	July 31	648L	(N)
Trafalgar House	Mar. 31	21,006	(14,008)
Trident TV	Mar. 31	3,608	(2,328)
Walker Sons	Sept. 30	1106	(746)
F. W. Woolworth	Apr. 30	5,776	(5,054)

* Figures in parentheses are for corresponding period. † Dividends shown net except where otherwise stated. †† Adjusted for any intervening scrip issue ††† Gross. †††† After providing for rebate, tax and transfer to contingencies. ††††† For 3 months. †††††† For 52 weeks. ††††††† For 12 months. †††††††† For 12 months in 18-month period (12 months). ††††††††† Loss.

Rights Issues

Bowater: One-for-seven at 168p each.
 Cosalt: One-for-two at 30p each.
 Empire Stores (Bradford): One-for-four at 108p each.
 Greenfield Millets: One-for-seven at 20p each.
 Trident TV: Two "A" (non-voting) for five Ordinary or "A" at 35p each.
 C. and W. Walker Holdings: One-for-one at 35p each.

Scrip Issues

C. E. Heath: Two-for-one.
 J. N. Nichols (Vintolo): One-for-one.
 Seacombe Marshall and Campion: Three-for-eleven.

BIDS AND DEALS

Silentbloc employees urge holders to reject BTR

The Association of Scientific, Technical and Managerial Staffs, the white collar union headed by Mr. Clive Jenkins, has written to shareholders of Silentbloc urging them to reject the contested takeover bid from BTR.

Mr. John Shepperd, a district official of the ASTMS, states in the letter that "the employees, who have in many cases given long service to the organisation have as much interest in ensuring the profitability, and a continual independent existence of the organisation, as any shareholder."

He says that the take-over would be detrimental to both the employee's interests and to the continued existence of Andre Silentbloc in its present form.

The letter, which should be in the hands of shareholders on Monday—the date that the offer closes—says that the Union is very concerned about the job security of its members. It also says that BTR's reputation is that of an asset stripping operation and that this is unlikely to give the staff the confidence and security in their jobs which is necessary in order for them to remain highly productive workers.

LAFARGE
 The Lafarge Organisation proposes to discharge the loan of French francs 2,553,715 from its parent company. Repayment of this debt has proved onerous so the company proposes to sell 20,000 shares (2 per cent.) in Lafarge Fundo International for

the amount required to repay the debt.
 The scheme reduces the company's financial obligations, improves liquidity and enables a more liberal dividend policy to be followed. The company has also obtained an option to repurchase the shares at any time within five years from September 21, 1976.

REORGANISATION AT BUNZL
 Bunzle Pulp and Paper is planning an internal reorganisation to reduce its North American interests. The group's 19 per cent owned associate, American Filtrona Corporation, is to sell its 50 per cent interest in Filtrona International Corporation, a trading company, to Bunzle for an undisclosed sum. In addition, American Filtrona will acquire a further 2 per cent of Bunzle Pulp and Paper Canada to give it a 51 per cent interest.

The whole process, including the obtaining of approvals could take two or three months.

SELUKWE/KADUNA
 The offer by The Selukwe Gold Mining and Finance Company for Kaduna Syndicate has been extended until June 2.

The offer by Selukwe has received acceptances to the offer totalling 1,284,808 Kaduna shares. Selukwe held 5,000 Kaduna shares prior to the offer and has acquired or agreed to acquire 10,000 shares in the offer. Selukwe has also received acceptances for a total of 1,289,808 Kaduna shares, (40.1 per cent) of Kaduna.

ASSOCIATES DEALS
 Hill Samuel and Co. purchased 650 BTR at 247p for discretionary investment clients.

Sternberg, Thomas Clarke and satm issue, to one new Preference share, and to one other Finance asset at 22p and Preference share on exercising and their subscription rights, in both 7,500 Globe and Phoenix Gold cases without further subscription issued at 50p and 5,000 of cash.

CAVENHAM
 Further to the announcement on May 16 1977 of a 42p cash offer for half of the Cavenham Warrants, Cavenham has now finalised its proposal for the capitalisation of its new 10 per cent (net) cumulative Preference shares credited as fully paid in relation to warrant holders.

For every four Warrants not exercised to the cash offer, holders will become entitled, immediately on implementation of the capitalisation issue, to one new Preference share, and to one other Finance asset at 22p and Preference share on exercising and their subscription rights, in both 7,500 Globe and Phoenix Gold cases without further subscription issued at 50p and 5,000 of cash.

SETON SEC. —LAND VALUE
 Acceptances of Seton Securities offer of £1 and Value Shares received in respect of 1,224,232 shares (85.46 per cent.). The offer is unconditional and remains open until June 2. The balance hereafter will be acquired compulsorily.

THORNBERS —PENTOS
 Pentos wants to buy out the 41.6 per cent of Thornbers, the holding and investment concern, which is not listed and the newly own at a price which values each Thornber share at 51p.

The listing of the Thornbers shares was suspended in October 1973 at 41p.

The terms of the offer are 41p nominal of Pentos Loan Stock, currently quoted at 127p, for each Thornber share.

Brown & Jackson, Limited
 Building and Civil Engineering Contractors

The following are extracts from the Statement to Shareholders by the Chairman, Mr. B. S. A. Duffy.

During the past year, the Construction Industry has had one of its worst recessions for many years, characterised by nearly one-third of the industry's workforce being unemployed and by most companies in the sector working at less than 70% of their optimum capacity.

Turnover for the year to 31st December, 1976 was £10,407,676, compared with £8,558,804 in the previous year. The profit before tax was £396,813, compared with £532,729. There were excellent results for Archibell Greenwood Limited, the structural steel engineering subsidiary, and Electrical Installations (North West) Limited has also made solid progress. The Group's order book at the end of February, 1977 was approximately £7½ million.

The policy of the Board is to strenuously avoid the temptation to "buy" turnover by submitting unrealistic prices in order to obtain future construction contracts. Also on a selective basis acquisitions will be sought, particularly relating to the development of Archibell Greenwood Limited's interests, to reduce the Group's dependence on the vagaries of the Building Industry trade cycle.

1977 will be another difficult year for the Company but we are confident we can solve the problems and propel the Group, next year, back onto a strong growth pattern.

Copse Road, Fleetwood, Lancashire

The Edinburgh Investment Trust Limited

Results for the year ended 31 March 1977

	1976	1977
Gross Revenue	£3,629,745	£3,244,506
Earnings per deferred stock unit (£1)	5.77p	5.11p
Dividend per deferred stock unit (£1)	5.55p	4.95p
Net assets being total assets less current liabilities	£30,389,768	£74,071,429
Asset value per deferred stock unit (£1) after deduction of prior charges at book value	243½p	222p

SUMMARY OF STATEMENT BY THE CHAIRMAN, Mr I. R. GUILD

It is the directors' intention that the total dividend for the current year will again be increased. The first interim dividend will be paid at the end of November 1977, a month later than normal, and will be a larger part of the total. Beginning in the following year 1978/79 we intend to adopt the more normal practice of paying a final dividend after the Annual General Meeting instead of a second interim.

The net asset value rose by 9.7% which exceeded the rise in the British indices. The American market fell slightly after adjusting for the change in exchange rates. A timely switch of overseas funds into the British market in the autumn of last year was largely responsible for the satisfactory results.

Your board may well consider it desirable to re-invest during the course of the next twelve months more of the company's funds in America or the Far East.

Last year a £1 million sterling loan was taken out to help in the financing of your company's considerable interest in London & Scottish Marine Oil Co. Ltd. This move proved profitable and it has been decided to repay the £1 million. We have retained an interest in the oil production stock units of that company which should begin to yield a useful flow of franked income in 1978/79.

The Annual General Meeting will be held on Monday, 13 June 1977.

Copies of the Annual Report and Accounts may be obtained from Mr Colin Peters, 3 Chancery Square, Edinburgh EH2 4DS.

Those who are interested in receiving communications to shareholders but who are not on our share register can ask to be put on the mailing list.

MANAGEMENT AGENCY AND MUSIC LIMITED

INTERIM STATEMENT

The profits of the Group before taxation as shown by the unaudited accounts for the six months ended 31st January, 1977 amount to £726,989, compared with the adjusted trading profits of £280,745 for the comparative six months last year.

At a meeting held to-day, the Board declared an interim dividend of 1.95 pence per share which together with the related tax credit amounts to 3 pence per share (1976-1.95 pence and 3 pence per share respectively).

The interim dividend will be paid on 18th July, 1977 to shareholders registered at the close of business on 17th June, 1977.

	6 months to 31 January 1977	6 months to 31 January 1976 (as adjusted)*
TURNOVER	£6,278,547	£5,413,155
Pre tax profits for the six months to 31st January, 1977	726,989	280,745
Corporation Tax @ 52%	482,034	147,987
	£444,955	£222,758
Interim Dividend of 1.95 pence per share (3 pence with related tax credit)	142,516	141,540
Unappropriated Profit carried forward	£302,439	£28,1218
Earnings per Ordinary share	6.09p	5.82p

* Prior year adjustment: The comparative figures for 1976 have been restated to take account of the amending agreements between Tom Jones, Engelbert Humperdinck and Gordon Mills with Eborac Ltd dated 12th August 1976 and having effect from 1st August 1975. The effect of this has been to increase both the turnover and pre-tax profits by £93,461 and retained profits by £44,862 for the period to 31st January 1976.

The results for the first six months show a small increase over those for the comparative period last year. This satisfactory trend has continued into the second half and confirms the Board's hopes expressed at the Annual General Meeting in January that the results for the full year should show a moderate increase over those for 1976.

20th May, 1977.

LAWSON HIGH YIELD FUND

11.14% OPA

CURRENT ESTIMATED GROSS YIELD

PAID QUARTERLY

"THE LAWSON HIGH YIELD FUND is yielding an attractive rate for people who want high income and this has paid dividends ever since the fund was launched. Moreover its performance has been very adequate, especially over the two year period". Financial Times 20.11.76.

- INCOME UNITS UP 40%; ACCUMULATION UNITS UP 82% since launch in June 1974. Fund already exceeds £9½ million. Over 9000 investors.
- 43% Preference Shares for ultra high income;

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Off 6 on inflation fears

BY OUR WALL STREET CORRESPONDENT

FURTHER LOSSES developed on Wall Street today, amid continuing apprehension over inflation and higher interest rates. The Dow Jones Industrial Average lost a further 6.02 to 930.48, reducing its gain on the week to 2.12, while the NYSE All Common Index, at \$34.40, dipped 19 cents on the day but was still up 27 cents on the week. Declines outpaced advances by 188-to-382, while the trading volume further decreased 2.33m. shares to 18.95m. The market lost ground shortly after the bell when the U.S. Government reported an 0.8 per cent. rise in its Consumer Price Index. Apart from the concern about today's inflation report, traders were already bearish in response to higher interest rates and signs of further credit tightening.

FRIDAY'S ACTIVE STOCKS

Table with columns: Stock, Closing, Change, % Change. Includes Petrochem, Ford, IBM, etc.

OTHER MARKETS

Canada again lower Canadian Stock Markets also continued lower yesterday. The oil and gas index gave way 7.00 to 1.114.6. Golds shed 1.2 to 100.19, banks dipped 1.17 to 211.96 and papers eased 0.15 to 101.16. But utilities rose 0.83 to 10.89.

NEW YORK, May 20.

Banks gave ground. Utilities shed up to DM1.50. But Stores and Engineers generally rose. Other leading shares were barely maintained. Public Authority Bonds gained up to DM0.15. SPAIN—Further slight losses, although there was some buying of Banks. Banco de Bilbao went up 3 to 417 and the rights were in demand. MILAN—Mixed to lower in quiet dealings. Industrials narrowly mixed. Insurances slightly lower. TOKYO—Slightly higher in very limited trading. Volume 160m. (170m) shares. Interest revived in recently neglected Electricals. Nippon Columbia rose Y50 to Y315 on expected good earnings. AUSTRALIA—Little change with Banks firm and Mines mixed. Among active Banks, National firm 1 cent to \$42.52, ANZ 2 cents to \$43.62 and C.B.C. 2 cents to \$41.72. HONG KONG—Prices drifted lower on lack of interest. JOHANNESBURG—Gold shares narrowly mixed in quiet dealings. Industrial shares generally mixed.

OVERSEAS SHARE INFORMATION

Large table of overseas share information with columns for Stock, Price, Change, % Change. Includes sections for NEW YORK, GERMANY, PARIS, AUSTRALIA, TOKYO, BRUSSELS/LUXEMBOURG, SWITZERLAND, MILAN, AMSTERDAM, JOHANNESBURG, VIENNA, COPENHAGEN, STOCKHOLM, and OSLO.

Indices

Table of indices for NEW YORK, DOW JONES, and other markets. Columns include date, high, low, and change.

Y.S.E. ALL COMMON

Table of Y.S.E. All Common indices for 1977 and 1976.

Table of exchange rates for various countries including Australia, Belgium, Denmark, France, Germany, Holland, Hongkong, Italy, Japan, and Singapore.

F.T. CROSSWORD PUZZLE No. 3386

A prize of £3 will be given to each of the senders of the first three correct solutions. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4A 3DF. Winners and solution will be given next Saturday.

FRANKIE BRINGS CLASS TO JUBILEE STAKES. The DAY when high-class horses contested the Kempton Park Jubilee Handicap (this year dubbed the Silver Jubilee Stakes) is long past, and apart from the north-east trainer Frankie-half-brother to the 1989 Oaks winner Sleeping Partner, and fifth behind Wallow in last year's 2,000 Guineas—a mediocre collection of horses competes for £10,000.

RACING BY DARE WIGAN

Frankie brings class to Jubilee Stakes

THE DAY when high-class horses contested the Kempton Park Jubilee Handicap (this year dubbed the Silver Jubilee Stakes) is long past, and apart from the north-east trainer Frankie-half-brother to the 1989 Oaks winner Sleeping Partner, and fifth behind Wallow in last year's 2,000 Guineas—a mediocre collection of horses competes for £10,000.

Barging in with beer

The 71-year-old sailing barge Etna, a veteran of the Dunkirk evacuation, sailed from Ipswich yesterday to promote British beer and malt on the Continent. Businessmen plan to use the barge as a floating saleroom at the European Brewing Congress in Amsterdam next week.

ACROSS 1 Allack takes care of food 14, 21 4 Orchestra takes a Rolls by (10) 10 Made a fuss when continued 17, 21 11 ... had language gave sailor employment (5, 7) 12 Bread, during card game (4) 12 Attracted by suit with the 15, 51 13 One enters list of duties to swaggar (7) 16 Spend the hour until car-ferry (4, 2) 19 Leaves container for fortune-teller to examine (6) 21 Play-off for drink Froch drink (7) 23 Remember to stay sane 14, 4, 41 25 Cricketer falling to winter 14, 1 27 Left page in middle of Duver Sound. (5) 28 ... not knowing there's skill from the North-East (19) 29 Telling one of the family (5) 30 Departed by the way with the stop-press news (6)

SOLUTION TO PUZZLE

SOLUTION TO PUZZLE No. 3385. Down: 1. Certain to see birds on the river (8) 2. Soundly indicate a plot for making jewellery (9) 3. A lot of detectives are bitter (4) 4. Restorer upset North Eastern Railway going to jug (7) 5. ... not knowing there's skill from the North-East (19) 6. ... had language gave sailor employment (5, 7) 7. Bread, during card game (4) 8. Attracted by suit with the 15, 51 9. One enters list of duties to swaggar (7) 10. Made a fuss when continued 17, 21 11. ... had language gave sailor employment (5, 7) 12. Bread, during card game (4) 13. One enters list of duties to swaggar (7) 14. Orchestra takes a Rolls by (10) 15. ... had language gave sailor employment (5, 7) 16. Spend the hour until car-ferry (4, 2) 17. ... had language gave sailor employment (5, 7) 18. ... had language gave sailor employment (5, 7) 19. Leaves container for fortune-teller to examine (6) 20. ... had language gave sailor employment (5, 7) 21. Play-off for drink Froch drink (7) 22. ... had language gave sailor employment (5, 7) 23. Remember to stay sane 14, 4, 41 24. ... had language gave sailor employment (5, 7) 25. Cricketer falling to winter 14, 1 26. ... had language gave sailor employment (5, 7) 27. Left page in middle of Duver Sound. (5) 28. ... not knowing there's skill from the North-East (19) 29. Telling one of the family (5) 30. Departed by the way with the stop-press news (6)

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Clemmison is Reckitt & Colman chairman

James A. S. Clemmison, chairman and chief executive officer of Reckitt & Colman, has succeeded Mr. Arthur M. Yocum as chairman of HECKTOLMAN at this conclusion of its annual meeting yesterday. Clemmison will continue to serve in a non-executive capacity, as he has since 1975. Mr. Yocum, who has been chairman since 1970, remains on the board as a non-executive director.

Following the retirement of Mr. Yocum, a director of HECKTOLMAN, a number of changes have been made. Mr. Douglas Coppley, managing director of Smart and Brown, has been appointed to the board of directors. Mr. Stan Matherington has become general manager of the Spennymoor and North East England factories, and deputy managing director of Smart and Brown Lighting. Mr. Ken Phillips has been appointed general manager of Smart and Brown Lighting.

ENGINEERING GROUP has made Lord Aylesford a non-executive director.

Mr. Edward Blacker, Jr. has been appointed president of MILCO ELECTRONIC CORPORATION of Miami, Florida—the U.S. data communications company acquired by Reckitt earlier this year. Mr. Monroe A. Miller, a co-founder of Milgo and president since the company's formation in 1955, retains the position of chairman of the Board.

Mr. A. N. Tarplin, Secretary of HIGGATE AND JOB GROUP, has been appointed director. Mr. R. Wyatt Bacon has resigned from the Board.

Mr. M. W. Good has been appointed director of B. CLARKE CONSTRUCTION, part of the H. Clarkson Insurance Group.

Mr. M. C. P. Miller has been appointed director of ALCAN BOOTH INDUSTRIES, following the resignation of Mr. D. Morton and Mr. M. Walker appointed to new posts in the Alcan Group. At the same time Mr. R. T. V. Martin has become secretary of Alcan Booth Industries.

Mr. F. F. Green, Mr. D. J. Holdsworth and Mr. W. Devlin have been made members of the DOMESTIC COAL CONSUMERS' COUNCIL until February 29, 1980.

Mr. Richard W. Lawrence has been made commercial director of AMPLIVOX, part of the Rascal Group.

Mr. W. T. J. Davies has been appointed managing director of PLETCHER AND STEWART of Derby, the sugar machinery manufacturer.

Mr. M. Michael Stokes has been appointed director of HOGG ROBINSON (U.K.).

Mr. P. C. G. Dougherty has been appointed managing director of GREENGATE CARLES following the resignation of Mr. R. Edmore. Mr. Dougherty was previously sales director of Reliance Cards and Cables.

Mr. D. L. McPherson, chief manager of the Commonwealth Trust Bank of Australia, has been elected chairman of the BRITISH OVERSEAS AND COMMONWEALTH BANKS ASSOCIATION. Mr. J. J. Boleville, chief manager of International Westminster Bank, becomes deputy chairman.

ENTERTAINMENT GUIDE

CC—These theatres accept certain credit cards by telephone or at the box office

OPERA & BALLET	THEATRES	THEATRES	THEATRES
COLISEUM , 2191 Great West Rd, London W22 3UH. Monday 8.00. Today: THE NICKEL AND DIMED. Tomorrow: THE NICKEL AND DIMED. Wednesday: THE NICKEL AND DIMED. Thursday: THE NICKEL AND DIMED. Friday: THE NICKEL AND DIMED. Saturday: THE NICKEL AND DIMED. Sunday: THE NICKEL AND DIMED.	ALHAMBRA , 101 Tottenham Court Rd, London W1P 0LP. Monday 8.00. Tuesday 8.00. Wednesday 8.00. Thursday 8.00. Friday 8.00. Saturday 8.00. Sunday 8.00. Today: THE NICKEL AND DIMED. Tomorrow: THE NICKEL AND DIMED. Wednesday: THE NICKEL AND DIMED. Thursday: THE NICKEL AND DIMED. Friday: THE NICKEL AND DIMED. Saturday: THE NICKEL AND DIMED. Sunday: THE NICKEL AND DIMED.	ROYAL OPERA HOUSE , Covent Garden, London WC2E 9JF. Monday 8.00. Tuesday 8.00. Wednesday 8.00. Thursday 8.00. Friday 8.00. Saturday 8.00. Sunday 8.00. Today: THE NICKEL AND DIMED. Tomorrow: THE NICKEL AND DIMED. Wednesday: THE NICKEL AND DIMED. Thursday: THE NICKEL AND DIMED. Friday: THE NICKEL AND DIMED. Saturday: THE NICKEL AND DIMED. Sunday: THE NICKEL AND DIMED.	THEATRE ROYAL DRURY LANE , 31 Drury Lane, London WC2B 5DR. Monday 8.00. Tuesday 8.00. Wednesday 8.00. Thursday 8.00. Friday 8.00. Saturday 8.00. Sunday 8.00. Today: THE NICKEL AND DIMED. Tomorrow: THE NICKEL AND DIMED. Wednesday: THE NICKEL AND DIMED. Thursday: THE NICKEL AND DIMED. Friday: THE NICKEL AND DIMED. Saturday: THE NICKEL AND DIMED. Sunday: THE NICKEL AND DIMED.
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MAKING RESOURCES TRUST LIMITED

Investment Resources Trust is an investment trust which provides an opportunity for the public to invest in a managed portfolio of companies mainly involved in exploration for and development of North Sea oil and gas.

	1977	1976
Total Assets	12,838,308	10,856,943
Ordinary Shareholders' Assets	10,222,083	8,675,022
Net Asset Value	103.22p	86.75p
Earnings per Share	1.14p	1.17p
Dividend per Share	0.90p	0.75p

Key Features

- Investment Resources Trust is an investment trust which provides an opportunity for the public to invest in a managed portfolio of companies mainly involved in exploration for and development of North Sea oil and gas.
- The trust's investment policy will concentrate on companies producing or developing oil and gas reserves.
- Investment Resources Trust has a proven record of steady growth and has been recommended by the Financial Times and other leading financial publications.
- The trust's assets are managed by a team of experienced investment managers.

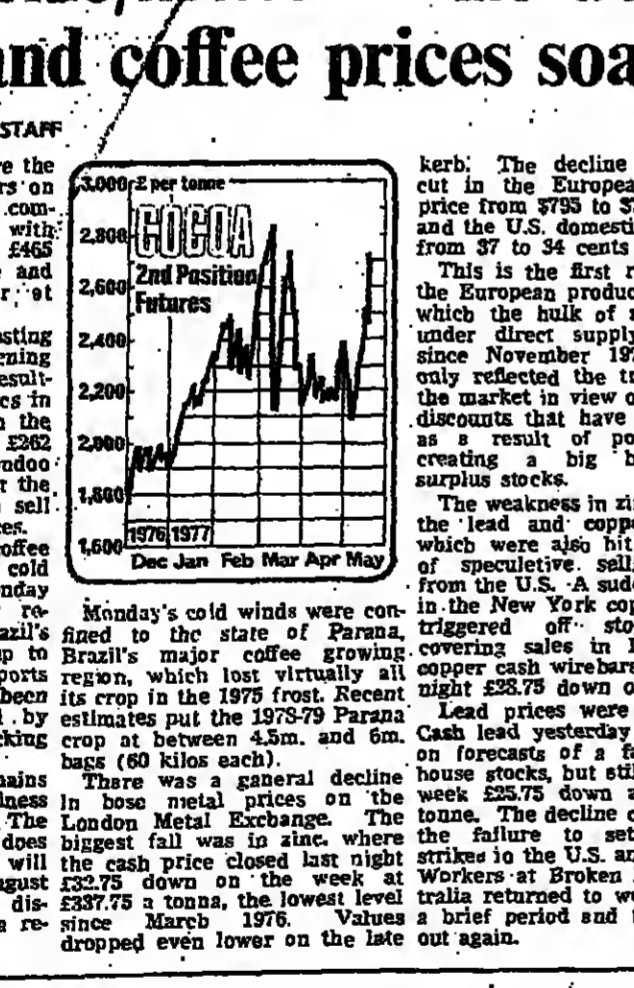
Commodity Offer 39.8 Trust Bid 37.8 Yield 8.3% Double Offer 102.0 Option Trust Bid 97.0

WCF MANAGERS LIMITED P.O. Box 73 St. Helier, Jersey. 0354-205973

COMMODITIES/Review of the week

Cocoa and coffee prices soar

COFFEE AND COCOA were the most spectacular performers on the commodity markets this week with cocoa up 12.5% and coffee up 10.5%.



COFFEE: The London Metal Exchange said the market was quiet. Forward metal opened at 34.5p in London. The market was active in stocks and traded between 33.5p and 34.5p. The decline reflected a cut in the European producer price from 37.5 to 37.0 a tonne, and the U.S. domestic zinc price from 37 to 34 cents a lb.

COCOA: The London Metal Exchange said the market was quiet. Forward metal opened at 34.5p in London. The market was active in stocks and traded between 33.5p and 34.5p.

MARKET REPORTS: **BASE METALS:** The London Metal Exchange said the market was quiet. Forward metal opened at 34.5p in London. The market was active in stocks and traded between 33.5p and 34.5p.

WEEKLY PRICE CHANGES

Commodity	Unit	1977	1976
High Grade Cacao Beans	Tonnes	1,077.75	1,077.75
Low Grade Cacao Beans	Tonnes	1,077.75	1,077.75
Robusta Coffee	Tonnes	1,077.75	1,077.75
Arabica Coffee	Tonnes	1,077.75	1,077.75
Soybeans	Tonnes	1,077.75	1,077.75
Wheat	Tonnes	1,077.75	1,077.75
Barley	Tonnes	1,077.75	1,077.75
Oats	Tonnes	1,077.75	1,077.75
Rice	Tonnes	1,077.75	1,077.75
Sugar	Tonnes	1,077.75	1,077.75
Gold	盎司	1,077.75	1,077.75
Silver	盎司	1,077.75	1,077.75
Oil	桶	1,077.75	1,077.75
Gas	桶	1,077.75	1,077.75
Iron Ore	噸	1,077.75	1,077.75
Steel	噸	1,077.75	1,077.75
Copper	噸	1,077.75	1,077.75
Zinc	噸	1,077.75	1,077.75
Nickel	噸	1,077.75	1,077.75
Lead	噸	1,077.75	1,077.75
Aluminum	噸	1,077.75	1,077.75
Uranium	噸	1,077.75	1,077.75

MARKET REPORTS

SILVER

Silver prices rose to a nine-month high for spot delivery in the London bullion market yesterday.

BASE METALS

COFFEE—Standard, cash 34.5p, 3p; three months 34.5p, 3p; six months 34.5p, 3p; nine months 34.5p, 3p; 12 months 34.5p, 3p.

COCOA

Standard, cash 1,077.75, 0.25; three months 1,077.75, 0.25; six months 1,077.75, 0.25; nine months 1,077.75, 0.25; 12 months 1,077.75, 0.25.

SOYABEAN MEAL

Standard, cash 1,077.75, 0.25; three months 1,077.75, 0.25; six months 1,077.75, 0.25; nine months 1,077.75, 0.25; 12 months 1,077.75, 0.25.

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COFFEE

Standard, cash 1,077.75

BRITISH FUNDS (609)

Table listing various British funds with columns for fund name, value, and percentage change.

CORPN. & COUNTY—UK (95)

Table listing corporate and county shares with columns for company name, value, and percentage change.

This week's SE dealings

Friday, May 20 7.044 Wednesday, May 18 4.594 Monday, May 16 7.281
Thursday, May 19 7.152 Tuesday, May 17 6.777 Friday, May 13 7.895

The top twelve records after yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date of introduction.

Table of top twelve records and latest markings for various shares.

CANALS, SHIPS, COAST GUARDS

Table listing shares in the Canal, Ship, and Coast Guard sectors.

PUBLIC BOARDS UK

Table listing public utility shares.

COMMERICAL INDUST (4,222)

Table listing shares in the Commercial Industries sector.

C.W.L.T.H. INC. INCREASED STOCKS

Table listing shares in the C.W.L.T.H. Increased Stocks sector.

FOREIGN STOCKS (6)

Table listing foreign stocks.

U.K. & C.W.L.T.H. RAILS (3)

Table listing U.K. and C.W.L.T.H. RAILS shares.

FOREIGN RAILS (—)

Table listing foreign rail shares.

BANKS & DISCNTS. (267)

Table listing bank and discount shares.

FINANCIAL SERVICES

Table listing financial services shares.

INDUSTRIAL

Table listing industrial shares.

CONSUMER

Table listing consumer goods shares.

ENERGY

Table listing energy sector shares.

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Industrial scholarship scheme discussed

BY RICHARD EVANS, LOBBY EDITOR
TALKS ON Government plans to introduce a scheme of industrial scholarships of high prestige which will attract able students to engineering are well advanced.

Scargill on banner

MR. ARTHUR SCARGILL, Yorkshire area president of the National Union of Mineworkers, will today unveil a banner bearing his painted image.

Spanish trawler skippers fined in test case

PENALTIES totalling £44,000 were imposed on 20 Spanish trawler skippers at Stornoway Sheriff Court, Outer Hebrides, yesterday.

Freehold land rents to go

Financial Times Reporter
RENT CHARGES for freehold land, mainly in Manchester and the North-West and to Bristol, will be extinguished over a 60-year period by a Private Member's Bill given an unopposed Third Reading in the Commons yesterday.

Milk up 1p

TWO ORDERS laid before Parliament yesterday implemented a decision already announced to increase the maximum retail prices of milk to Great Britain and Northern Ireland by 1p per pint from to-morrow.

APPOINTMENTS

Advertisement for CSL (Coopers & Lybrand) Financial and Financial Services, Taxation Specialist.

Advertisement for Finance for Industry Term Deposits, offering various interest rates for different terms.

Table of financial data including company names, share prices, and market indicators.

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Table titled 'LOCAL AUTHORITY BOND TABLE' showing bond details for various local authorities.

Table titled 'INSURANCE (189)' listing various insurance companies and their details.

Table titled 'GAS (3)' listing gas companies and their details.

Table titled 'PROPERTY (172)' listing property-related financial data.

Table titled 'BUILDING SOCIETY RATES' showing interest rates for various building societies.

Table titled 'UNIT TRUSTS (28)' listing unit trusts and their details.

Table titled 'GOLD MARKET' showing gold market prices and trends.

Table titled 'EXCHANGES AND BULLION' showing exchange rates and bullion prices.

Footnote and additional information regarding the data presented in the tables.

STOCK EXCHANGE REPORT
Fresh widespread setback as profit-taking continues
Index off 6.5 at 461.3, but up 11.2 on the Account

Account Dealing Dates
Option
First Declared Last Account Dealing Date
May 19 May 20 May 21
May 22 Jun 2 Jun 10 Jun 15
Jun 19 Jun 22 Jun 24 July 5

British Funds and equities were again vulnerable yesterday after the strong advance seen earlier in the Account. Sentiment was not helped by the unexpected sharp rise in the April Retail Prices indices, particularly in the Funds where final losses ranged to 1. The Government Securities index recorded 0.39 more to 70.38, but still recorded a gain of 0.19 on the week.

Wide-spread losses were recorded in secondary issues, but a few bright spots emerged, mainly in response to company trading statements. The extent of the overall reaction was reflected in the falls: rises ratio of 11.2 in the Account compared with Thursday's 13.8 in favour of falls, and a loss of 1.6 per cent. to 191.47 in the FT-Actuaries All-Share index.

Strong performers of late, the Engineering majors succumbed to end-of-account profit-taking and closed with double-figure losses in the face of renewed late



Home Banks closed with comparatively modest losses. National Westminster ended 3 off at 245p and Lloyds were 3 cheaper at 220p. Guinness Post, 182p, and Hambros, 188p, lost 8 and 7 respectively in Merchant Bank.

Associated Dairies remained a dull market, losing another 9 to 258p. Tate and Lyle declined 8 to 248p, while J. B. Eastwood, 67p, and J. Bibby, 135p, lost 4 and 5 respectively.

Strong performers of late, the Engineering majors succumbed to end-of-account profit-taking and closed with double-figure losses in the face of renewed late

falls on end-of-account profit-taking and were only marginally above and worst British Petroleum reacted 16 in 934p, after 930p, and Shell gave up 8 at 532p, while investment currency influences took a point off Royal Dutch, at 47p.

Properties closed with numerous small losses. The Fraud Squad investigation into the company's affairs continued to unsettle Peachey, which cheapened 21 more to 45p, after 44p, while dissatisfaction with results left Estates and Agency 5 down at 52p.

Reports that Lonrho's Tiny Rowland has joined with Sir James Goldsmith in attempting to gain control of the Standard induced fresh speculative support of Beaverbrook 4

There was little cheer for Oils which sustained fairly sizeable

FINANCIAL TIMES STOCK INDICES
Table with columns for various indices (Government Sec, First Interest, Industrial Ordinary, Gold Mines, etc.) and their values for different dates.

HIGH AND LOWS S.E. ACTIVITY
Table showing high and low prices for various stocks and S.E. activity.

FT-ACTUARIES SHARE INDICES
These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table of FT-Actuaries Share Indices showing various equity groups and sub-sections with their respective values and changes.

NEW HIGHS AND LOWS FOR 1977

Table listing new highs and lows for various securities in 1977, including shares and bonds.

RISES AND FALLS

Table showing rises and falls in various markets, including British Funds, Industrial, and Recent Issues.

OPTIONS TRADED

Table listing options traded, including areas and MK Electric, with details on call and put options.

BASE LENDING RATES

Table showing base lending rates for various banks, including Allied Irish, American Express, and others.

RECENT ISSUES

Table listing recent issues in the market, including various stocks and their prices.

"RIGHTS" OFFERS

Table listing rights offers for various companies, including details on the offers and their terms.

ACTIVE STOCKS

Table listing active stocks from yesterday, including stock names, denominations, and closing prices.

ON THE WEEK

Table showing stock performance on the week, including stock names, denominations, and closing prices.

FIXED INTEREST PRICE INDICES

Table showing fixed interest price indices, including various government and corporate bonds.

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of Authorised Unit Trusts listing various funds such as British Life Office, Guardian Royal Ex. Unit Mgrs. Ltd., and others with their respective share prices and details.

Table of Offshore and Overseas Funds listing international investment funds like Fidelity Mgmt. & Res. (Bda.) Ltd., Kemp-Gee Management Jersey Ltd., and others.

INSURANCE, PROPERTY, BONDS

Table of Insurance, Property, and Bonds listing various insurance policies, property management services, and bond offerings.



Civil Engineering & Building Contractors

The Directors of M. J. Gleason (Contractors) Limited announce the following unaudited results of the Group for the half-year ended December 1976:

Financial summary table for M. J. Gleason (Contractors) Limited showing half-year ended 31st December 1976 and 1975 figures for turnover, profit before tax, and profit after tax.

These figures confirm the Board's expectation that recent levels of turnover would be maintained in the half-year under review, the improvement in the resultant profit is encouraging. A factory outcome is expected for the current half-year also.

The Directors have declared the maximum permitted interim dividend at the rate of 0.8555p per share which with the related redit, is equivalent to a gross distribution of £105.05-10p (10.505p) per share (1976, 1975).

Regarding future prospects, the Board is hopeful that the company will soon begin to benefit from the gradually improving building market and from the release of public expenditure acts which were postponed by the government last winter.

NEED IN 50,000 BETTER TOMORROWS!!

50,000 people in the United Kingdom suffer from progressively disabling MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF AND HOPE.

Please help—Send a donation today—to: The Multiple Sclerosis Society of G.B. and N.I., 4 Tachbrook Street, London SW6 1LS

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave., London EC3V 3LU. Tel: 01-283 1101
Index Guide as at 17th May, 1977 (Base 100 at 14.1.77)
Clive Fixed Interest Capital 118.91
Clive Fixed Interest Income 118.25

INSURANCE BASE RATES
Property Growth 91%
Cannon Assurance 51%
Address shows under Insurance and Property Bond Table.

Oldham for industrial development Phone Shaw 44411

FT SHARE INFORMATION SERVICE

INDUSTRIALS

BRITISH FUNDS

Table listing various British funds with columns for Stock, Price, Dividend, and Yield.

CANADIANS

Table listing Canadian stocks with columns for Stock, Price, Dividend, and Yield.

BUILDING INDUSTRY - Continued

Table listing building industry stocks with columns for Stock, Price, Dividend, and Yield.

DRAPERY AND STORES - Continued

Table listing drapery and stores stocks with columns for Stock, Price, Dividend, and Yield.

ENGINEERING - Continued

Table listing engineering stocks with columns for Stock, Price, Dividend, and Yield.

STOCKS (Lives up to Five Years)

Table listing various stocks with columns for Stock, Price, Dividend, and Yield.

BANKS AND LIFE PURCHASE

Table listing bank and life insurance stocks with columns for Stock, Price, Dividend, and Yield.

CHEMICALS, PLASTICS

Table listing chemical and plastic stocks with columns for Stock, Price, Dividend, and Yield.

ELECTRICAL AND RADIO

Table listing electrical and radio stocks with columns for Stock, Price, Dividend, and Yield.

FOOD, GROCERIES, ETC.

Table listing food and grocery stocks with columns for Stock, Price, Dividend, and Yield.

INTERNATIONAL BANK

Table listing international bank stocks with columns for Stock, Price, Dividend, and Yield.

COMMONWEALTH & AFRICAN LOANS

Table listing commonwealth and African loan stocks with columns for Stock, Price, Dividend, and Yield.

BEERS, WINES AND SPIRITS

Table listing beer, wine, and spirit stocks with columns for Stock, Price, Dividend, and Yield.

CINEMAS, THEATRES AND TV

Table listing cinema, theatre, and TV stocks with columns for Stock, Price, Dividend, and Yield.

DRAPERY AND STORES

Table listing drapery and stores stocks with columns for Stock, Price, Dividend, and Yield.

FOREIGN BONDS & RAIS

Table listing foreign bonds and raises with columns for Stock, Price, Dividend, and Yield.

BUILDING INDUSTRY - TIMBER AND ROADS

Table listing building industry timber and roads stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS

Table listing American stocks with columns for Stock, Price, Dividend, and Yield.

HOTELS AND CATERERS

Table listing hotel and catering stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS (continued)

Table listing American stocks (continued) with columns for Stock, Price, Dividend, and Yield.

AMERICANS (continued)

Table listing American stocks (continued) with columns for Stock, Price, Dividend, and Yield.

AMERICANS (continued)

Table listing American stocks (continued) with columns for Stock, Price, Dividend, and Yield.

AMERICANS (continued)

Table listing American stocks (continued) with columns for Stock, Price, Dividend, and Yield.

AMERICANS (continued)

Table listing American stocks (continued) with columns for Stock, Price, Dividend, and Yield.

AMERICANS (continued)

Table listing American stocks (continued) with columns for Stock, Price, Dividend, and Yield.

Handwritten scribble at the bottom of the page.

SUMITOMO HEAVY INDUSTRIES, LTD.
Tokyo, Japan
For ocean development,
systems engineering,
and environment protection.

MINES - Continued

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

AUSTRALIAN

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

TINS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

COFFER

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

MISCELLANEOUS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

NOTES

Notes on various market conditions, including regional market performance and specific stock price movements. The text discusses the impact of various factors on the market and provides detailed commentary on the financial news.

REGIONAL MARKETS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

OPTIONS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

TRUSTS - Continued

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

OILS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

OVERSEAS TRADES

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

RUBBERS AND SISALS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

TEAS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

MINES

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

FAIR WEST RANG

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

O.F.S.

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

DIAMOND AND PLATINUM

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY - Continued

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

SHIPPERS, REPAIRERS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

SHOES AND LEATHER

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

SOUTH AFRICANS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

TEXTILES

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

MOTORS, AIRCRAFT TRADES

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

Commercial Vehicle

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

Components

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

Garages and Distributors

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

NEWSPAPERS, PUBLISHERS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PAPER, PRINTING, ADVERTISING

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY - Continued

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

SHIPPERS, REPAIRERS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

SHOES AND LEATHER

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

SOUTH AFRICANS

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

TEXTILES

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

PROPERTY

Stock	Price	High	Low	Cr.	Vol.
Admiral	40	38	42		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		
Admiral	10	9	11		

Cruising means



MAN OF THE WEEK

A mystic and a fighter

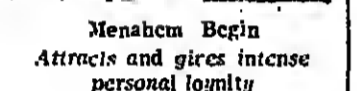
BY DAVID LENNON

MENACHEM BEGIN is a true believer, a man of certainties. He is convinced that it was destiny which has given him the chance to become Prime Minister of Israel after 29 years as leader of the Opposition.

The nation has been longing for a strong figurehead since the fall from power of his great rival David Ben Gurion, Israel's first Prime Minister who ruled until the mid-1960s. Begin fits into the same mould, being indeed a character from the same era.

Small, bespectacled and looking far from fully recovered from a recent severe heart attack, Begin does not at first glance appear to be the answer to a troubled nation's prayers.

A man who attracts and gives intense personal loyalty, his position as leader of the right wing was never seriously challenged even when his



Menachem Begin attracts and gives intense personal loyalty.

political fortunes were at their lowest ebb. Despite losing eight elections in a row Begin continued to command the respect of his faithful followers.

He is justifiably regarded as the most dramatic public speaker and the finest Parliamentary orator in the country. He can rouse mass public rallies with his fiery delivery, or cut political opponents to the quick with the caustic lash of his tongue.

As a fighter, Israel's new leader has an impressive record. After immigrating to Palestine from Poland in 1942 Begin assumed command of the militant underground Iron Guard which in 1944 led the uprising against the British mandatory authority, contrary to the wishes of most Jewish leaders who felt the fight should be postponed until after the defeat of the Nazis.

Mr. Begin has publicly supported Jewish settlements in the West Bank and the Gaza Strip even when this was contrary to the decisions of the Government. One of his first acts upon winning the election was to go to the as yet "unauthorised" settlement at Raddum on the West Bank.

Not all of the Jewish population was happy with his record before the foundation of the Israeli state, just as not all Israelis are happy with the prospect of having him as their Prime Minister. But Mr. Begin's personal modesty, quiet and reserved family life, is acknowledged by all to fit in better with the needs of the nation than the frequently ostentatious and sometimes corrupt behaviour of the Labour Party leadership circles. Begin has got his chance to rule because of national disillusionment with Labour Party corruption and incompetence in handling domestic issues, especially inflation.

However, for the world at large it is Begin's hard stance on the occupied territories which gives rise in fears for Middle East peace and stability. Hopes that power might melt his fervent opposition to returning any of the West Bank have been quickly dashed. He has already told everyone who asks him that "Judea and Samaria" has no role to play in any Middle East talks. The Palestinians already have a homeland, and they are welcome to continue living in it, under Israeli rule.

If Begin forms a Government, as appears most likely, the prospects of any early settlement in the Middle East have definitely dimmed. His blend of mystical nationalism and the Israeli fear that the Arabs do not really want to make peace could combine to make any meaningful negotiations impossible. If however the U.S. Administration can squeeze concessions out of Israel then Begin could in the last resort be the man to sell a settlement to the Israeli people. Anything that he can swallow, they can.

FINANCIAL TIMES

Saturday May 21 1977

Ulster's new party line-up

BY GILES MERRITT, IN BELFAST

ULSTER'S swing to the moderate Centre in the local elections was confirmed last night as the final counting took place. The principal gainer has been the non-sectarian Alliance Party, which advocates power sharing and is now a political force to be reckoned with.

For the first time the Protestant and Unionist politicians, ostensibly representing two-thirds of the population on a sectarian basis, have seen their share of the poll fall to about 50 per cent.

Nevertheless, the Rev. Ian Paisley's hardline Democratic Unionist Party has managed to hang on to its share of the vote, in spite of its failure to achieve any clear results from the recent political strike.

The unions in the complex decision-making process to elect the 36 local councils will be studied closely this week-end by the parties and by the Government.

PERCENTAGE OF SEATS WON BY ULSTER'S FOUR MAJOR PARTIES

Table with 5 columns: Party, May 77 local electn., May 75 local electn., May 75 Convnt. local electn., May 75 May 75 Convnt. local electn.

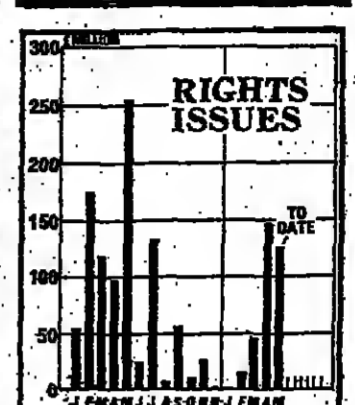
The inroads by the DUP into the official Unionists' traditional control of most local councils is already giving rise to internal discontent with Mr. Harry West's leadership.

The Protestant political vote is now split between the rival DUP and official Unionists, the latter's recent moderate stance coming under fire from its own Right wing. Until a fortnight ago, both parties were allied inside the United Ulster Loyalist Coalition. The coalition split over Mr. Paisley's strike.

Falling back from the peaks

Index fell 6.5 to 4613

Having risen strongly in each of the previous five weeks the Stock Market ran into the inevitable reaction in the second half of the account just ended, but not before new peaks were touched in both the equity and gilt-edged sectors.



So the bulls in the gilt-edged market who have pushed yields at the long end down to under 13 per cent, now have to square their judgment with the rise in the RPI of 7.5 per cent in the first four months of this year.

Debenhams' dash for growth may be successfully boosting sales — which rose by 25 per cent in 1976-77 and have maintained that pace in the first quarter of the current year — but it is making the group ravenous for cash.

should sell its 35 per cent holding in Aircro has important implications for other potential buyers of U.S. assets as well as for BOC itself. The judgment by the U.S. Court of Appeals appears to represent a real setback to the FTC's doctrine of "potential competition" which at one stage — in the words of the U.K. Government — appeared to threaten "a significant new barrier to the flow of foreign investment between the U.K. and the U.S."

Against this, BOC claim that there was no economical sensible way into the U.S. apart from through Aircro. It would take ten years and \$240m. build a viable presence in the market. The appeals court seem to share this view; it suggests that the FTC has been dealing more with "ephemeral possibilities" than with "reasonable probabilities" and adds that there is no showing that acquiring a firm would have entered the market but for the acquisition. Then it cannot be said that the effect of an acquisition may be substantial to lessen competition.

BBC Cup Final coverage goes ahead

BY DAVID CHURCHILL, LABOUR STAFF

BBC COVERAGE of to-day's FA Cup Final between Liverpool and Manchester United at Wembley is to go ahead as planned. This decision preventing BBC camera crews, members of the Association of Broadcasting Staffs, from taking industrial action to stop the match being transmitted to South Africa.

But Lord Denning, Master of the Rolls, in the Appeal Court judgment, said that no trade dispute was in existence. "The union was no doubt hoping that the BBC would give in, and if they did not, they were going to require their members to stop transmission. That is not a trade dispute."

There had to be a dispute in being or in contemplation for it to be considered a trade dispute under the terms of the 1974 Act. Lord Justice Paine had refused to negotiate a change in the conditions of employment directed against apartheid, then that could have amounted to a trade dispute. But things had not reached that stage, he added.

Debenhams

Debenhams' dash for growth may be successfully boosting sales — which rose by 25 per cent in 1976-77 and have maintained that pace in the first quarter of the current year — but it is making the group ravenous for cash.

Concorde loses in U.S. court

By John Wyles

NEW YORK, May 20. BRITISH Airways suffered two technical defeats here today in its legal fight to win landing rights for Concorde at New York's Kennedy Airport.

Weather

Table with columns for U.K. TODAY, N.E. England, N.W. Scotland, and BUSINESS CENTRES.

Retail prices

Even if the underlying rate does start to drop in a couple of months an improvement in the rise measured in the last 12 months is unlikely until the period to mid-August. This is because comparison will be with the low monthly rises in June and July last year. The August index will not be announced until after the end of the possibly crucial TUC annual congress.

Insurers alarmed at draft convention with U.S.

BY MALCOLM RUTHERFORD

LEADING LONDON insurers have raised strong objections to the draft Convention on Reciprocal Recognition and Enforcement of Judgements between Britain and the U.S. on the grounds that it will radically increase insurance premiums for British exporters.

Mr. Michael Payne, a liability underwriter, told the Insurance Association that at this stage the convention is no more than a draft and the Government will take no decision on its adoption until there had been full opportunity for consideration of comments.

Law not broken says Leyland

typewriters, which have a bigger typeface. There are three spelling errors — "received," "fundamentally" and "dangerous." The NEB added: "Lord Ryder, as a former journalist, is a stickler for accuracy and would not under any circumstances allow the letter to be sent out. We repeat that that letter could not have come from Lord Ryder's office."

The report talks of payments to beneficiaries who can be remunerated by means of standing orders, by credits to an overseas account by direct payments or by vehicles. Former Leyland executives have admitted that payments are often made to individuals overseas in order to win business. One ex-Leyland salesman, who has a senior position with the company, said that everyone had to do this internationally to get business.

Advertisement for Harvey forklifts. Includes text: 'HOW MUCH CAN HARVEY TRIM OFF YOUR FORK LIFT BILL?', 'As Britain's biggest people in fork lift hire, we have experience of every make of machine, every machine function, every specialised application attachment.'

Vertical text on the right edge of the page, including 'CONSTRUCT', 'sh:', 'mier', 'ley', '10', 'del fire', 'WELCOME', 'of Scot.', 'and plac', 'Harvey', 'As Britain's biggest', 'people in fork lift hire, we have experience of every make of machine, every machine function, every specialised application attachment.', 'And all this accumulated expertise is yours. Free. Whether you hire or own at present, ask us to analyse your handling needs.', 'With our background, our massive fleet and our keen long or short term hire rates, chances are we can show you a worthwhile saving.', 'Even if we can't, it won't cost you a penny to reassure yourself you're not wasting a penny.', 'So call us. At Tel: High Wycombe 21032.', 'Britain's biggest fork lift hire company.', 'A member of the IAC Service Group', 'Harvey Lift Limited, HEAD OFFICE: Vale Road, High Wycombe, Bucks. HP12 3JZ. Tel: High Wycombe 21032.', 'Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London EC4A 3DF. © The Financial Times Ltd.